



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

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

Approved by AICTE, Govt. of India | Affiliated to BPUT, Odisha | NAAC Accredited | ISO 9001 : 2015

## **SUMMER INTERNSHIP PROJECT 2024**

### **REPORT TITLE**

**A study on Comprehensive overview of inventory management  
at Parle Pvt. Ltd.: Detailed insights into operational practices**

### **SUBMITTED BY**

**Pradyumna Kumar Mohapatra**

**MBA Batch: 2023-25**

**University Regn. No.: 2306258119**

#### **Faculty Guide**

Er. Manoj Kumar Rout

Asst. prof. (OM)

BIITM, Bhubaneswar

#### **Corporate Guide**

Mr. Manoj Das

Coordinator, Parle Pvt. Ltd,

Bhubaneswar



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## **CERTIFICATE OF FACULTY INTERNAL GUIDE**

This is to certify that Mr Pradyumna Kumar Mohapatra, bearing university registration no 2306258119 of 2023-25 batch, has completed his summer internship at Parle Pvt. Ltd (Lingaraj Biscuit factory) from 03.06.2024 to 18.07.2024 under the supervision of Mr. Manoj Kumar Das (corporate guide) 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:

Place: Bhubaneswar

Signature of the Faculty/Internal Guide

Name: Er. Manoj Kumar Rout

Designation: Asst. Prof (Operation)

# Certificate



PARLE BISCUITS PVT. LTD

C/O – LINGARAJ BISCUITS PVT.LTD

Ref. No:- BIITM/MBA/02/2024

Date:23/07/2024

## EXTERNAL GUIDE CERTIFICATE

This is to Certify that **MR. PRADYUMNA KU MOHAPATRA**

Having Regd. No: 2306258119

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 03<sup>rd</sup> JUNE, 2024 to 18<sup>th</sup> JULY, 2024**

During internship Programme he has successfully completed Project  
Work on "**INVENTORY MANAGEMENT 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

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## **DECLARATION**

I, Mr Pradyumna Kumar Mohapatra Bearing university registration, no 2306258119 (2023-25 batch), hereby declare that the project report titled Comprehensive overview of Inventory Management at Parle Pvt. Ltd: Detailed Insights into Operational Practices, is based on my internship at Parle Pvt. Ltd (Lingaraj Biscuit Unit, Bhubaneswar), during the period 03.06.2024 to 18.07.2024 and is an original work done by me under the supervision of Mr. Manoj Kumar Das (Corporate Guide) and Er. Manoj Kumar Rout (Internal Guide). 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: Bhubaneswar

Place:

Signature

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## **Acknowledgement**

I would like to express my sincere gratitude to Lingaraj Biscuits, A subsidiary of PARLE BISCUITS Pvt. Ltd for providing me with the opportunity to complete my summer internship at their prestigious Organization. I am grateful for the trust and confidence they placed in me, and I am honoured to have been a part of their team.

I would also like to thank my mentors and faculty advisors for their guidance and support throughout my internship. Their insights and advice were invaluable, and I am grateful for their help in shaping my learning experience.

I am especially grateful to the following individuals:

- Mr. Manoj Kumar Das, Coordinator at Lingaraj Biscuit Unit, for their guidance and support throughout my internship.
- Er. Manoj Kumar Rout my faculty advisor, for their guidance and support.
- Those Who Contributed: To anyone whose assistance, whether directly or indirectly, has aided in the completion of this report, I extend my sincere thanks.

I would like to conclude by thanking Coordinator, and my faculty advisors for their support and guidance throughout my summer internship. I am grateful for the opportunity to have learned from them and to have grown as a professional.

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# CHAPTER-1

# **INTRODUCTION**

## **WHAT IS AN INTERNSHIP?**

An internship provides an Opportunity for students to apply what they have been learned in Institutions to practical work experience related to their academic or career goals, in other words it is an opportunity offer by an employer to interns, to work at a firm for a fixed period of time. Interns are usually undergraduates or students, and most internship last between a month and three months. It is usually part time it offered during a university semester and full time if offered during the vacation periods. An internship would give you a practical skill, workplace experience and greater knowledge of that industry, in exchange for employer benefiting from your labour. An internship can be either paid or voluntary. The trend is increasingly and rightly towards the former, as voluntary internships are often cited as exploitative. As you would expect, internship that pay well are usually most competitive.

## **OBJECTIVES OF THE INTERNSHIP PROGRAM:**

I chose to work with Parle Pvt Ltd. for my summer Internship program. During this internship I have learnt many new skills and got an opportunity to explore corporate world. Before I only had theoretical knowledge about work in organization but now, I have gained more of practical work experience. Now I have knowledge about the organization's working environment and how organization's work and achieve their goals and objectives. This internship has also provided me with the better understanding of business and also about the elements of strategic thinking, planning and implementation, and how these things are applied in a real-world organization environment.

As an internee I want to achieve the following objectives during my internship and organization study:

- To improve communication skills.
- To familiarize with a business organization.
- To develop my attitude conducive to effective interpersonal relationships.
- To acquire good work habits and sense of responsibility.
- To observe, analysis and interpret the relevant data competently and in a useful manner.
- To relate theory with practice.
- To develop my skills in the application of theory to practical work situation.



## **INTERNSHIP REPORT CONTENT:**

During my internship I worked as a senior assistant (Operation Management) in Parle. My duties at the inventory management during my internship were of the diversified nature. I was rotated in different departments of the warehouse. I was also assigned with some responsibilities of the minor level. They gave me some tasks as well as the true exposure of practical work environment.

- Outbound Department
- Inbound Department
- Return Department
- Inventory Department

## **WHAT IS INVENTORY MANAGEMENT**

Inventory management is the process of tracking the goods and materials used by a business to produce or sell products. The goal of inventory management is to ensure there's always enough stock available to fulfil customer orders while minimizing the risks and costs of holding inventory. Efficient inventory management and regular inventory audits ensure you always have the right quantities of items in the right place ready to meet demand.

### **There are five key principles of inventory management:**

- Demand forecasting,
- warehouse flow,
- inventory turns/stock rotation,
- cycle counting and
- process auditing.
- Focusing on these five fundamentals can yield significant bottom-line savings

### **1. Demand Forecasting**

Depending on the industry, inventory ranks in the top five business costs. Accurate demand forecasting has the highest potential savings for any of the principles of inventory management. Both over supply and under supply of inventory can have critical business costs. Whether it is end-item stocking or raw component sourcing, the more accurate the forecast can be.

### **2. Warehouse Flow**

The old concept of warehouses being dirty and unorganized is out dated and costly. Lean manufacturing concepts, including 5S have found a place in warehousing. Sorting, setting order, systemic cleaning, standardizing, and sustaining the discipline ensure that no dollars are lost to poor processes.

### **3. Inventory Turns/Stock Rotation**

In certain industries, such as pharmaceuticals, foodstuffs and even in chemical warehousing, managing inventory down to lot numbers can be critical to minimizing business costs. Inventory turns is one of the key metrics used in evaluating how effective your execution is of the principles of inventory management.

### **4. Cycle Counting**

One of the key methods of maintaining accurate inventory is cycle counting. This helps measures the success of your existing processes and maintain accountability of potential error sources. There are financial implications to cycle counting. Some industries require periodic 100% counts. These are done through perpetual inventory count maintenance or though full-building counts.

### **5. Process Auditing**

Proactive error source identification starts with process audits. One of the cornerstone principles of inventory management is to audit early and often. Process audits should occur at each transactional step, from receiving to shipping and all inventory transactions in between.

## **Techniques Used In inventory management**

### **1.FIFO vs. LIFO**

First in, first out (FIFO) and last in, first out (LIFO) are accounting methods (also known as “costing”) based on how products move through your warehouse.

FIFO is a useful system for businesses that sell the oldest inventory first. If it was first into the warehouse, it should also be first out the door when someone orders that product. This keeps inventory as fresh as possible, which is essential for perishable or expiring goods.

LIFO is the opposite of FIFO, ensuring that the most recently received inventory is the first out the door. FIFO is the default costing method, but LIFO makes sense for businesses that don’t ship perishable goods, because the way this accounting method reports income has potential tax advantages.

### **2. Demand forecasting**

Demand forecasting (or sales projections) helps you understand how much of each product you need to have on hand at all times to meet customer demand. For established businesses, demand forecasting should be based on historical sales data. Newer businesses might need to rely on assumptions and industry data until they have a sales history of their own. Demand forecasting is essential to inventory management because it helps you determine the minimum amount of a product you should have on hand and set reorder targets when you reach that number. You should revisit your demand forecast quarterly to adjust your

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minimum quantities and reordering targets.

### **3. Minimum order quantity vs. economic order quantity**

Minimum order quantity (MOQ) and economic order quantity (EOQ) are two methods a business can use to determine when to reorder products. MOQ focuses on maintaining the minimum possible amount of each product type a seller is willing to fulfill. High-ticket items tend to have a lower MOQ, while low-cost items often have a higher MOQ. It is important to take this into account when reordering products from suppliers; consider a supplier's MOQ for a particular product against your own sales projections. The EOQ method is more common for manufacturers, which have to account for variable costs like raw materials, production and fluctuating demand. It is designed for companies to keep costs down by purchasing the greatest amount possible of multiple product units to minimize the need to reorder items individually.

### **4. ABC analysis**

An ABC analysis helps you understand which products are most profitable and which are most costly. As the name suggests, it breaks products down into three categories:

A: These products are the most valuable and cost the least to store long term. These products contribute greatly to a business's profitability.

B: These are midrange products that are important sales to make, but not as big tickets as products in the A category.

C: These tend to be small-ticket items with high turnover. Individual sales of these products are not as important to a business as items in the A or B categories, but high volumes of C product sales are critical to profitability.

### **5. Safety stock inventory**

Safety stock inventory is tied to your sales projections and influences your reorder quantities. It is especially important for your bestselling or essential products. Safety stock is the extra inventory you order beyond your expected demand. While over-ordering is never advisable, it is useful to have a few more units than you expect you'll need, especially if you anticipate that item will continue to be a hot seller.

### **6. Dropshipping**

Dropshipping is the process of receiving an order from a customer and having your supplier ship the products directly to the customer. This cuts out the need for a storage facility or for keeping any inventory on hand. It is best reserved for rare orders or items you cannot accommodate in your warehouse, because it means your customer's satisfaction is in the hands of your supplier rather than your own business.

### **7. Cross-docking**

Cross-docking is a method that prioritizes efficiency. A delivery truck will unload at your facility, directly into trucks shipping your sales out to customers. This eliminates the need to bring new items into your

storage facility and bypasses your inventory management process. Instead, the items go right out as you receive them. This method is best for items planned for “just in time” shipping.

## **Objective**

### **1. Material Availability**

One of the main objectives of inventory management is to ensure that materials required for production, or sales are consistently available without interruptions. This objective is crucial for manufacturers, where a shortage of key materials can halt production lines, leading to delays and financial losses. For instance, an electronics manufacturer must maintain a steady supply of components like microchips and circuit boards to meet production schedules. Automotive manufacturers often use sophisticated forecasting and supplier relationship management to ensure a steady supply of parts like engines and body panels.

### **2. Minimum Wastage**

Another inventory management objective is minimizing waste in inventory, thereby saving costs and promoting sustainable practices. This involves strategies to avoid over-purchasing, efficiently utilizing materials, and reducing spoilage, especially in industries dealing with perishable goods. For example, a

grocery store chain might implement a dynamic inventory system that adjusts orders based on sales trends to minimize food waste. Retailers often use data analytics to predict sales trends more accurately, reducing the incidence of excess stock that may become obsolete.

### **3. Improving Customer Service**

Another objective of inventory management is to enhance the customer experience by reliably meeting their demand for products. This involves having popular products available when customers need them, which requires accurate demand forecasting and efficient inventory replenishment processes. For example, an online retailer like Amazon aims to have high-demand items consistently in stock, ensuring quick delivery times. Retailers may use customer relationship management (CRM) systems combined with inventory data to understand customer buying patterns and adjust inventory accordingly.

### **4. Sufficient Stock**

Sufficient stock maintenance is one of the objectives of inventory management. It helps in maintaining an adequate level of inventory to meet customer demands without overstocking. This requires a balance between having enough stock to satisfy customer orders and not so much that it incurs unnecessary holding costs or risks obsolescence. For instance, a seasonal clothing retailer must carefully manage inventory levels to align with changing fashion trends and seasons. Businesses often use inventory optimization tools that consider historical sales data, seasonal trends, and current market conditions to maintain optimal stock levels.

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## **5. Increasing Product Sales**

Another inventory management technique is using inventory management to maximize sales opportunities. Proper inventory management ensures that products are available for sale when customers want them, thus increasing revenue potential. A good example is a consumer electronics store that stocks up on the latest gadgets before the holiday season to capitalize on increased consumer spending. Implementing an effective inventory management system can lead to increased sales by reducing stockouts and ensuring that high-demand products are always available.

## **6. Reducing Cost Value of Inventories**

Inventory management's objective also includes lowering the costs associated with holding and managing inventory. This includes strategies to reduce costs such as storage, insurance, taxes, and shrinkage. A large part of this is streamlining the supply chain to reduce holding times and storage needs. For example, a furniture retailer might use a drop-shipping model to reduce the need for large warehouses. Businesses might adopt JIT (Just-In-Time) inventory practices to minimize the time goods spend in storage, thereby reducing storage and handling costs.

## **7. Cost-Effective Storage**

One of the important objectives of inventory management involves optimizing storage solutions, maximizing space utilization and minimizing storage costs. This involves using warehouse space effectively and implementing storage systems that are cost-efficient yet ensure easy access and product safety. For instance, a logistics company might use vertical storage and automated retrieval systems to maximize warehouse space utilization. Warehouses may employ warehouse management systems (WMS) that optimize the placement and retrieval of goods, reducing the time and labor associated with storage and retrieval.

## **SCOPE:**

### **Determination of economic order quantity:**

Economic order quantity or economic lot size refers to that number ordered in a single purchase or number of units should be manufactured in a single run, so that the total costs — ordering or set up costs and inventory carrying costs are at the minimum. So, the determination of E.O.Q. is also within the scope of inventory control.

### **2. Formulation of policy:**

The policies of investment procurement, storage, handling, accounting, storages and stock outs, deterioration, obsolescence etc. are to be formulated under the scientific system of inventory control. What,

when and how much of purchasing and fixation of minimum and maximum levels is also to be determined for a given period of time.

### **3. Determination of lead time:**

By lead time is meant the time that lapses between the raising of an indent by the stores and the receipt of materials by them. Lead time is of fundamental importance in determining inventory levels.

### **4. Effectiveness towards running of store:**

The determination of policies of the location, layout and materials and storage handling equipment's certainly help in the effective working of stores organization.

### **5. Organization structure:**

After determining of inventory policy, the next step is to decide the location, layout and types of storehouses. It facilitates the movement of materials and thus minimize the storage and handling cost of stores.

### **6. Determination of safety stock:**

Safety stock is defined as the difference between the amount stocked to satisfy demand during a certain time interval and the mean expected demand for that period. It is for the purpose of providing protection against depletion. If demand remained constant and lead time is invariable, there would be no fear of shortages and no need for safety stocks.

The exact quantity of safety stock of an item depends upon its lead time, usage value, and variability of lead time demand, carrying charges and the importance of its stock out cost. Again, determination of buffer stock reserve stock is included in the management of inventory.

### **7. Minimum material handling and storage cost:**

Stores organization activities are arranged in such a manner that the cost of bringing in the store house and issuing from the store house if the various stores, will minimize the storage and materials handling cost.

Inventory Management utilizes a methodical approach to determine the sourcing, storing, and selling inventory—both raw materials (components) and finished goods (products). The goal of inventory management is to understand stock levels and stock's location in warehouses. Inventory management software tracks the flow of products from suppliers through the production process to the customer. In the warehouse, inventory management tracks stock receipt, picking, packing, and shipping.

## **METHODOLOGIES**

There are many inventory management methodologies. Here are a few listed below explained by one of the leading inventory management software's Oracle NetSuite:

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**ABC Analysis:**

This method works by identifying the most and least popular types of stock.

**Batch Tracking:**

This method groups similar items to track expiration dates and trace defective items.

**Bulk Shipments:**

This method considers unpacked materials that suppliers load directly into ships or trucks. It involves buying, storing and shipping inventory in bulk.

**Consignment:**

When practicing consignment inventory management, your business won't pay its supplier until a given product is sold. That supplier also retains ownership of the inventory until your company sells it.

**Cross-Docking:**

Using this method, you'll unload items directly from a supplier truck to the delivery truck. Warehousing is essentially eliminated.

**Demand Forecasting:**

This form of predictive analytics helps predict customer demand.

**Dropshipping:**

In this practice, the supplier ships items directly from its warehouse to the customer.

**Economic Order Quantity (EOQ):**

This formula shows exactly how much inventory a company should order to reduce holding and other costs.

**FIFO and LIFO:**

First in, first-out (FIFO) means you move the oldest stock first. Last in, first-out (LIFO) considers that prices always rise, so the most recently purchased inventory is the most expensive and thus sold first.

**Just-In-Time Inventory (JIT):**

Companies use this method in an effort to maintain the lowest stock levels possible before a refill.

**Lean Manufacturing:**

This methodology focuses on removing waste or any item that does not provide value to the customer from the manufacturing system.

**Materials Requirements Planning (MRP):**

This system handles planning, scheduling and inventory control for manufacturing.

**Minimum Order Quantity:**

A company that relies on minimum order quantity will order minimum amounts of inventory from

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wholesalers in each order to keep costs low.

**Reorder Point Formula:**

Businesses use this formula to find the minimum amount of stock they should have before reordering, then manage their inventory accordingly.

**Perpetual Inventory Management:**

This technique entails recording stock sales and usage in real-time. Read “The Definitive Guide to Perpetual Inventory” to learn more about this practice.

**Safety Stock:**

An inventory management ethos that prioritizes safety stock will ensure there’s always extra stock set aside in case the company can’t replenish those items.

**Six Sigma:**

This is a data-based method for removing waste from businesses as it relates to inventory.

**Lean Six Sigma:**

This method combines lean management and Six Sigma practices to remove waste and raise efficiency.



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## Literature Review Summary

**Abramovitz and Modigliani (1957):** Examined the negative relationship between existing and desired inventory levels, suggesting a positive relation between inventory-to-sales ratio and inventory investment.

**Krishna Murthy (1964):** Focused on private sector inventories in India (1948-61), highlighting the role of sales, short-term interest rates, and the accelerator.

**principle's. Chadda (1964):** Suggested Indian companies adopt modern inventory control techniques to minimize investment while maintaining production flow.

**NCAER (1966):** Analyzed working capital in cement, fertilizer, and sugar industries, finding poor inventory management in the sugar industry.

**Lal (1981):** Studied Modi Steels Limited, introducing price variables into inventory management and recommending comprehensive internal and external policies.

**Farzaneh (1997):** Presented a model comparing EOQ and JIT purchasing policies, advocating for JIT under ideal conditions due to cost advantages.

**Rich Lavelly (1998):** Argued that 30% of retail inventory is often dead stock, emphasizing the importance of inventory control to reduce costs and increase profitability.

**Krishnamurthy and Sastry (1970):** Analyzed manufacturers' inventories in India, identifying sales changes, bank finance, and interest rates as key determinants.

**George (1972):** Studied 52 public limited companies, focusing on internal and external finance variables in inventory equations.

**Mishra (1975):** Concluded that inventory is a critical component of working capital in public sector enterprises, needing better control over receivables.

**Lambrix and Singhvi (1979):** Proposed optimizing working capital investment by improving inventory management and sales terms.

**Dave Piasecki (2001):** Discussed the EOQ method for optimal order quantity and highlighted its compatibility with JIT despite its limitations.

**Gaur, Fisher, and Raman (2005):** Found inventory turnover positively related to capital intensity and sales surprise, and negatively to gross margins in retail firms.

**SMSing (2006):** Analyzed IFFCO's inventory control, finding a need for better inventory utilization and management.

**Sahari, Tinggi, and Kadri (2012):** Demonstrated a positive correlation between inventory management and firm performance in Malaysian construction firms.

**Soni (2012):** Studied inventory management in Punjab's engineering goods industry, noting overstocking and low turnover rates.

**Pradeep Singh (2008):** Examined working capital management at IFFCO and NFL, finding satisfactory performance but noting poor inventory utilization at IFFCO.

**Capkun, Hameri, and Weiss (2009):** Analyzed the link between inventory performance and profitability in US manufacturing firms, highlighting the impact on gross and operating profit.

**Gaur and Bhattacharya (2011):** Investigated the impact of inventory components on financial performance in Indian manufacturing firms, emphasizing finished goods.

**Eniye et al. (2012):** Found efficient raw materials inventory management significantly enhances profitability in Nigerian breweries.

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## CHAPTER-2

# HISTORY OF THE PARLE



## **History of Parle**

Parle Products Company was founded in 1929 in British India. Before it was founded by Mohan Lal Dayal. It was owned by the Chauhan family of Vile Parle, Mumbai. Parle began manufacturing biscuits in 1939. In 1947, when India became independent, the company launched an ad campaign, showcasing its Gluco biscuits as an Indian alternative to the British biscuits. The Parle brand became well known in India following the success of products such as the Parle- G biscuits and the Frooti soft drink. The original Parle Company was split into three separate companies, owned by the different factions of the original Chauhan family.

- Parle Products, led by Vijay, Sharad and Raj Chauhan (owner of the brands Parle- G, Melody, Mango Bite, Poppins, Kismi toffee bar, Monaco and KrackJack)
- Parle Argo, led by Prakash Chauhan and his daughters Shauna, Alisha and Nadia (owner of the brands such as Frooti and Appy)
- Parle Bisleri, led by Ramesh Chauhan

All three companies continue to use the family trademark name "Parle". The original Parle group was amicably segregated into three non-competing businesses. But a dispute over the use of "Parle" brand arose, when Parle Argo diversified into the confectionery business, thus becoming a competitor to Parle Products. In February 2008, Parle Products sued Parle Argo for using the brand Parle for competing confectionery products. Later, Parle Argo launched its confectionery products under a new design which did not include the Parle brand name. In 2009, the Bombay High Court ruled that Parle Argo can sell its confectionery brands under the brand name "Parle" or "Parle Comfy" on condition that it clearly specifies that its products belong to a separate company, which has no relationship with Parle Products.

## **Biscuits:**

Parle-G, KrackJack, Monaco, Creams, Golden Arcs, Parle Marie, Milk Shakti, Parle Hide & Seek Bourbon, Parle Hide & Seek Fab, Top, Parle Gold Star, Happy Happy, 20-20, simply good, Namkeenparlemagix, coconut, cheeselings, Parle-G Gold

## **Sweet confectionary:**

Melody, Mango Bite, Poppins, 2 in 1 Eclairs, Mazelo, Kismi Toffee Bar, London Dairy, Kaccha Mango Bite

### **Snacks:**

Monaco Smart Chips, Parle's Wafers, Full toss, Parle Namkeens, Parle rusk, Parle Cake. Since they have been entered at the food competition of Monde Selection in 1971, the brands have received consistently gold and silver Quality [Awards](#) at the World Quality Selections.

## **Lingaraj Biscuit Manufacturing Industry, 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 Godha down, 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      | 1 <sup>st</sup> |
| 2PM to 10PM     | 2 <sup>nd</sup> |
| 10PM to 6AM     | 3 <sup>rd</sup> |

(Per shift 8 hrs.)

There are two types of Biscuits are Manufacture in this Manufacturing unit:

### **2.2.1 ParleG**



Price & Weight of Parle G: 40gm 3/-, 140gm 10/-, 250gm 20/-

### **2.2.1 Parle Happy Happy**



Price & Weight of Parle G: 40gm-5/- ,75gm 10/-

### **2.2.2 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, Siliguri, U.P, Odisha, Nagaland etc.

## MANUFACTURING PROCESS OF PARLE:



### Addition Chemical Composition:

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

### SUPPLY CHAIN OF RAW MATERIAL FROM OUTSIDE:

Wheat Flour – Eastern Food (JagatPur, Cuttack) Sugar-

Rayagada (Odisha), Andhra Pradesh, Tika Bali

Vegetable Oil – Cargill (Paradeep Refinery), Andhra Pradesh, Tika Bali SMP-  
Haryana

Wrapper – Kanpur

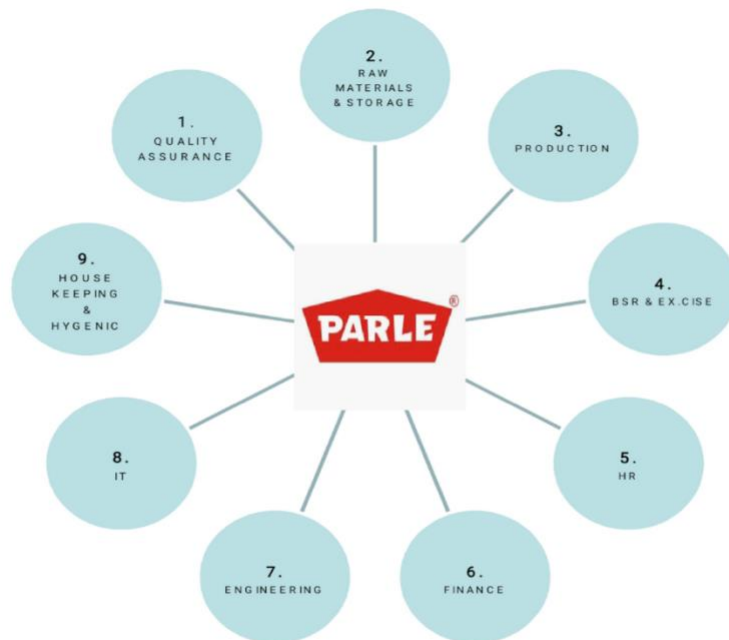
Propane Gas – Nagpur

Parle Flavor – Maharashtra, Mumbai Chocó

Chips - Maharashtra, Mumbai Cartoon Box –

Mancheswar, Bhubaneswar Chemical – Kalyan

Nagar/Calkota



### **DEPARTMENT AND SECTION OF PARLE BISCUIT**

- BSR: BOUNDED STORAGEROOM
- HR: HUMAN RESOURSE
- IT: INFORMATION TECHNOLOGY



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## **PARLE SALES& DISTRIBUTION NETWORK**

### **DISTRIBUTION LOGISTIC:**

#### **Selection of Channel member:**

Parle takes in to 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.

Following is 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:
  - i.* Light commercial vehicle
  - ii.* Matador
  - iii.* Three-wheeler van
  - iv.* Tricycle van

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

- The salesman too is divided in to various category like,
  - \* The field sales man
  - \* The counter sales man

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 under taken by them on behalf of the company.

## 2.5.2 DISTRIBUTION 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:** Massconsumptionand suitable for National and International coverage.

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three level of channel distribution exist.

- A. The company strength is the procurement of raw material and essentiality not the distribution of the product.
- B. Parle has the loyal comparatives that provide product only them, over time the relationship of trust has built up with these people that leverages now.
- C. The transport channel is another strong point of Parle. As this transporter has grown of with over time; The bonding with them enables to company to give least margins when the distributors come in to the industry, lowering the cost.
- D. Parle believes that there is ongoing demand in the market therefore there is no promotions are needs to increase the sales, also the fact this would affect the cost of the product and the company doesn't have any promotion scheme.

#### **DISTRIBUTION CHANNEL MEMBER:**

##### **The Distributers:**

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:**

##### **Trade schemes:**

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These are undertaken by the company only for the hard selling items e.g. Biscuit and Snacks etc. for these company raise their margins by 2%, also schemes like good packaging in the case of butter and cheese are undertaken by the company. However, this is only short-term initiative to push the products of the company.

### **Conflicts and co-Operation among the channel member:**

Conflicts among the channel member:

- Ownership of assets:

Previously the company used to give the products on lease to the retailer, when the company wanted the stuff back; the retailer disagreed to comply and created issue of ownership.

- Stocking issues:

The company doesn't want the retailers to stock the competing brand in the company lease stall, which at times hard to manage as retailers tend to do it often.

- Replacement of the Product:

The deterioration of the product call for fail in replacement by the company this major issue of vertical conflict.

- Credit policy:

Compared to the market the company's credit period is less that specially in case of institutional sale is very important.

- Packaging:

The channel members for easy storing demand a better quality of packaging.

Co-operation among the channel member:

- Parle quality circle:

The member of local channel meets together every month to share issue and the achievement of the channel members. This is an ongoing activity facilitated by the company office in different location: this enables the channel members to learn together and reduce the horizontal conflicts among the wholesaler

and distributors.



## **FOOD SAFETY AND REGULATION:**

This Law should be enacted for all segment of food starting FMCG Product including Biscuit manufacturing unit all over the India. This is called “**FOOD SAFETY AND STANDS AUTHORITY OF INDIA(FSSAI)**”

The Food Safety and Stands Authority of India has been established under the Food Safety and Standard Act, 2006 as a statutory body laying down science base standard for articles of food and regulating manufacturing, Processing, distribution, sale and import of food so as to ensure safe and wholesome food for human consumption vegetable oil Products ( control) order, 1947,Edible Oils Packaging (Regulation) Order 1988,Solvent Extracted Oil, De-Oiled Edible Meal, Edible Flour(Control)Order, 1967,Milk and Milk Products, 1992 etc. will be repealed after commencement of FSS Act , 2006.

The ACT also aims to establish a single reference point for all matters relating to food safety and standards, by moving from multi- level, multi- departmental control to a single line of command. To this effect, the Act establishes an independent statutory Authority – the Food Safety and Standards Authority of India (FSSAI) and the State Food Safety Authorities shall enforce various provision of the Act.

## PROMOTION STRATEGY

Marketing Mix tools are used by Parle are Sales Promotion, Advertising and Public Relation

### Sales Promotion:

Parle used Sales force Promotion for all the employees. Every year its holds day fairs at Branded venue, where games and fun events are organized for the employee of Parle and their Families; where Parle products are giveaway prizes.

### Advertising:

Parle G started being Advertise in the 80s. It was advertised mainly through the Press ADS. The communication spoke about the basic benefit of energy and Nutrition. In 1989 Parle G released in Dadaji commercial, which went on to one of the most popular commercial ads for Parle G.

The year 2002 went down as a special year in the Parle G 's advertising history, A year that saw the G- Man, a new ambassador of Parle G. Not just the hero but the Super hero that saves the entire world especially children from the all-evil forces. A campaign that was not just new to the audience but one that involved completely a new way of execution, that was loved by children all over the world- Animation. A TV commercial that shows the G – Man that saving the children from all the civil force that is called Terylene launch this campaign. It was also supported by print medium through posters and streamers put up at the retailer's outlet.

Another campaign that was by Parle for Parle G i.e. **“Parle G: - G Mane Genius”** For this a series of ads were shown in which a little Kids eat Parle G and tricks the experience & wise people.





Just a few years back a reminder TV commercial was launched for Parle G, where the product is being called '**Hindustan ki Taakat**'. Most of the Parle g TV commercials tells us that Brand awareness is being done by capturing consumer emotions. Heavy promotion is playing a major role by creating Brand awareness. Such in the case of Parle Hide Seek biscuit advertisement. The ads of hide & seek is portraying by actor Hrithik Roshan. This is telling us that the product is being promoted by celebrity endorsement to increase the brand awareness of the product and helps to capture the consumer attraction.

### **Public Relation:**

Parle has done the following for enhance the Public Relation: In the year 1997, Parle G sponsored the tele- serial of the Indian Superhero '**SHAKTIMAN**' that went to become a huge success. The personality of a superhero matched the overall superb benefit of the brand. Parle extend this association with Shakti man and gave away a lot of merchandise of Shakti man. In the year 2002 it was decided to bring the Brand closer to the child who is a major consumer. A national level promo – "**Parle G Mera Sapna Pura Hoga**" was run for the period of 6 months. The promo was all about fulfilling the dreams of children. There were over 5 lakh responses and of that 300 dreams were fulfill.

## **industry analysis of parle**

Parle, a name synonymous with biscuits and confectionery in India, has been a household staple for over 80 years. But beyond the delicious cookies and candies lies a remarkable story of strategic marketing that has propelled Parle to the forefront of the Indian consumer market.

### **Sub heading -understanding the Indian consumer**

Parle's success can be attributed to its deep understanding of the Indian consumer. From the outset, the company recognized the importance of affordability and accessibility. This translated into products like the iconic Parle-G biscuit, priced at just pennies, making it a treat within reach for everyone.

### **Sh-Building Brand Equity Through Nostalgia and Emotion**

Parle has masterfully woven nostalgia and emotion into its marketing campaigns. Remember the heartwarming jingle, "Chhota bacha Hai Kya, Parle-G khao"? It connected with generations of mothers and children, creating a lasting bond with the brand. Similarly, campaigns like "Celebrate Happy Parle Moments" and "Wah! Parle-G!" resonated with consumers on an emotional level, solidifying Parle's position as a trusted and beloved brand.

### **Product Innovation and Diversification**

Parle hasn't limited itself to nostalgia. It has continuously innovated and diversified its product portfolio to cater to evolving consumer tastes and preferences. From premium cookies like Hide & Seek and KrackJack to healthy options like Digestive Marie and Glucose biscuits, Parle has something for everyone.

### **Embracing Regional Nuances**

India's vast and diverse market demands a nuanced approach. Parle recognizes this and tailors its marketing strategies to resonate with regional preferences. This includes developing product variants specific to certain regions, using local languages in advertising campaigns, and partnering with regional celebrities for endorsements.



## **Leveraging the Power of Digital Marketing**

In today's digital age, Parle has effectively embraced online platforms to connect with consumers. The company has a strong presence on social media, engaging with followers through interactive campaigns and contests. Parle also leverages digital marketing channels to target specific demographics and interests, ensuring its message reaches the right audience.

## **The Parle Way: A Winning Formula**

Parle's marketing strategy is a testament to the power of understanding the consumer, building emotional connections, and adapting to changing market dynamics. By staying true to its core values of affordability, quality, and innovation, Parle has not only achieved remarkable success but also earned a special place in the hearts of millions of Indians.

## **Key Achievements of Parle's Marketing Strategy**

**Market Leader:** Parle enjoys a dominant position in the Indian biscuit market, with a market share of over 40%.

**Global Recognition:** Parle's flagship brand, Parle-G, is recognized as the world's largest-selling biscuit brand.

**Household Penetration:** Parle products are present in over 70 million households across India.

**Brand Loyalty:** Parle enjoys a strong emotional connection with its consumers, leading to high brand loyalty.

**Adaptability:** Parle has successfully adapted its marketing strategies to cater to changing consumer preferences and market trends.

## **Moving forward**

As the Indian consumer market continues to evolve, Parle is well-positioned to maintain its lead. The company's focus on innovation, digital marketing, and regional customization will ensure its continued success in the years to come. Parle's story is an inspiration for businesses of all sizes, demonstrating the power of strategic marketing in building a lasting legacy.

## CHAPTER -3

## **Competitor Analysis –**

Parle is primarily divided into 3 product categories: Biscuits, Confectionery, Snacks which are available mainly in India. From the name Parle, every one of us is reminded of just one thing: the evergreen biscuit, Parle G. However, this Indian company deals with products other than biscuits.

In any business, there are several companies & brands which compete with each other by offering similar products & services.

For any company to thrive, it is not only important for them to improve their own products, but to also look at what their competitor is offering.

Quick Glance:

1. HUL (Hindustan Unilever)
2. ITC
3. Coca Cola
4. Nestle
5. Pepsi
6. Amul
7. Britannia
8. Marico

### **Below we look at the top 8 competitors of Parle.**

#### **1. HUL (Hindustan Unilever):**

Hindustan Unilever is an Indian subsidiary Dutch company Unilever and is India's biggest fast moving consumer goods company. The HUL company is based in Mumbai, Maharashtra. HUL has the widest outreach to the customers through its 6 million+ outlets across the country.

#### **2. ITC:**

ITC or Imperial Tobacco Company of India limited was established in 1910. It changed its name first in 1970 and again in 1974 and was finally called I.T.C Limited. Headquartered in Kolkata, West Bengal, ITC is one of India's most valuable conglomerates with presence in all the three sectors of the economy.

#### **3. Coca Cola:**

Coca Cola is a carbonated soft drink produced by Coca Cola company. It has a diverse product

portfolio in the beverage industry. Coca Cola was founded in May,1886.

#### **4. Nestle:**

Nestle – largest food company in terms of revenue is based out of Vaud, Switzerland. It has a wide range of product line such baby foods, coffee, tea, dairy products, Maggi and many more. It has presence in 194 countries having approximate 450 factories with a head count of 339,000 people.

#### **5. Pepsi:**

Pepsi Co, being a huge company has a lot of brands under its hat. There are various products of Pepsi Co, like Pepsi, Mountain Dew, Lays, Tropicana beverages, 7Ups, Cheetos, Lipton Tea, Aquafina, etc. Pepsi are mainly targeting the food and beverages market.

#### **6. Amul:**

Amul is one of the very old Indian companies, which has made its mark since 1946. Now GCMMF has become the largest exporter of dairy products all across the world. Amul was built up in 1950 with the revolution of dairy agriculturists who were inspired by independence of India.

#### **7. Britannia:**

Britannia Industries Limited is a food manufacturing company in India, headquartered at Kolkata. It was launched in 1892, primarily for the officers during British Raj to provide them with quality tea time biscuits. Over the years, Britannia has changed hands from one group to another.

#### **8. Marico:**

One out of every ten coconuts grown in India is used by Marico – the statement in itself surmises the strength of Marico Limited. Marico is an Indian FMCG company and it was setup in 1991 in Mumbai by Harsh Mariwala. Marico deals in production of personal care goods, oils and male grooming products too.

## **SWOT Analysis –**



Parle G is one of the largest selling biscuit brands in the world. It is simple in its taste and simple in its packaging. But this simplicity has taken the brand to great heights. There are many positives which make Parle G the brand that it is. It is easily accessible to a wide population and its taste is addictive because of its sweetness.

### Table of Contents

Here is the SWOT analysis of Parle G

### **Strengths in the SWOT analysis of Parle G**

Most widely distributed Indian biscuit brand – Parle G is without a doubt the most widely distributed Indian biscuit brand. It crossed Rs 5000 crore in retail sales a couple of years back and it is increasing since then.

Largest sold biscuit in the largest market – India is the largest market for biscuits across the world and has a major market share of the biscuits segment. So, within India, Parle G has the highest market share. Quite simply, this is the strongest advantage for Parle G because it is the largest sold biscuit brand in the largest market for biscuits.

**Amazing Packaging** – Parle G is appreciated for its packaging because it has small 5 Rs variants as well as large variants which package 10 biscuit packets together. It even has a small 2 Rs packaging. When there were Floods in Mumbai or when there are floods in other areas, Parle G biscuits are the first ones to be distributed because of their small packaging and easy distribution advantage and because of their glucose content.

**The Parle Girl** – The Parle Girl is one of the most famous brand mascots because it belongs to one of the most famous brands of the country.

**Trusted brand** – In 2014, Parle G was ranked the 42nd most trusted brand in India. Considering a population of 1 billion and rising, that's saying a lot.

**Very strong in mid-tier and mass segment** – Parle G is very strong in its adoption and penetration in the mass market. A bit of mid-tier market segment is also conquered by Parle G.

**Parle's market share** – 28% of the total biscuit market of India is covered by Parle which includes Parle G, Milano and others. Parle forms 50% of this 28% share of its mother brand Parle. Hence it is safe to assume that Parle G has a whopping 14% market share in the Indian biscuit market.

**Make in India** – Parle G is the First domestic brand to cross Rs 5000 crore in retail sales. This further boosts the Make in India initiative for the domestic country.

**Exports** – Parle G is Exported to SAARC countries & to US, UK and Europe as well as to parts of Africa. Thus, the export segment of the brand is very strong too.

### **Weaknesses in the SWOT analysis of Parle G**

**Missing premium range biscuits** – Parle G is missing the essential part which can make it an all-round brand – Premium range biscuits. Although Parle G is the single widest selling biscuit brand, a premium range biscuit will help Parle attract a lot of inroads.

**Marketing is very less** – Marketing of Parle G is very less. It came as a product placement during the “Shakti Maan” series. Alternatively, there have been ATL ads or some BTL involvement. However, the majority market has already adopted Parle G biscuit. The marketing

might be less because of cost constraints but a bit of marketing will help the brand.

**Manufacturing bottlenecks** – Massive distribution requires massive manufacturing and this creates problem if its own with consistent manufacturing bottlenecks coming up. Because of the huge demand, Parle G has to cater to exports as well as domestic sales.

**Regional players** – There are many regional competitors for Parle G which affects the brand in regional markets.

### **Opportunities in the SWOT analysis of Parle G**

**Increase marketing communications** – A first step which Parle G can take is to increase its efforts of Marketing communications. It needs something unique like the AMUL girl which helps people to connect with the brand even further. This need not mean a lot of expenses. Just mind share and retention is needed from time to time.

**Start a premium range** – Parle G can start a premium range or a mid-tier separate range to have an even better market share. But doing this can affect its mass range biscuits as well so whether to focus or diversify is a call Parle G needs to take.

**Use distribution for more mass products** – Parle G can use its distribution potential for other products which also attract the customers. Distribution is an asset for Parle G and it should use this asset to maximum advantage.

**Tie ups with schools and hospitality segment to increase sale** – There are many schools which need breakfast at low prices and Parle G is one component which can be a part of this because of the glucose component of the biscuit. Thus, tie ups with the schools / education as well as hospitality segment like hotels can help the brand in achieving more sales.

**Widen manufacturing base to more countries** – Parle G can widen its manufacturing base by having a manufacturing plant in countries which are good markets in the future.

### **Threats in the SWOT analysis of Parle G**

**Consistent competition** – Parle and Britannia are evergreen FMCG competitors and ITC is close behind. Similarly, there are other national and regional players also vying for a footprint

in the biscuit market.

**Rising Income** – Because of the rising income, Parle G becomes outdated when someone can afford other biscuits. This is a threat to the brand in the long term.

**Rising Costs** – Parle G's major selling point is that it is cheap with a good taste. However, with rising costs of distribution and manufacturing, the high price of the final product might become a threat to the brand. Although on the other hand, if the price rises for Parle G, it will rise for all other biscuit brands. Nonetheless, the rising costs of the product is to be considered as a threat to revenue and margin for any brand.

**Mature market** – There comes a time when people become bored by a taste and they want to try new tasting things. Parle G is soon reaching the mature market stage where everyone knows the taste of a Parle G biscuit and might want to try something new. Hence, expansion to other territories is very important for the brand.

### Marketing Mix of Parle



### **Political Factors:**

Parle company was established in 1929 in British India by Chauhan group of Ville Parle, Bombay. Because of different approaches like demonetization and GST there was a drop in the business. The political effect on the association is on a very basic level influenced by the open law and rules. The business needs to satisfy its requirements offered by government else it needs to pay fine. Parle Industries Ltd is in a general sense reinforced by Government to fulfil all of the criteria of necessities like exhibits of prosperity and wellbeing. In attempts to convey



phenomenal sustenance, Parle Industries Ltd is adjusting the essentials of sustenance and refreshment creating. This may trigger the encroachment of administrative guidelines and rules.

### **Economic Factors:**

Parle which makes brands like Parle G, Monaco and Marie rolls records a normal of over Rs10000 crore every year with more than 100,000 workers. The quantity of shops stocking these items being sold from these shops is going down because of feeble shopper request.

The duty structure-GST is influencing this organization. When looking at their rival Parle—we should put it along these lines; more extravagant Indians might be racking designs to purchase another vehicle yet they aren't eliminating rolls yet. Indians spend more on moves than on toothpaste, sound skin things, shampoos and minute noodles set up together. The Mumbai based Rs 5000 crore association, progressed by Vijay and Sharad Chauhan has close to 45 percent bit of the scones publicize while NUSSLI Wadia's Parle organizations has about 38percent offer, reason being Parle has a strong movement mastermind especially in common markets.

### **Social Factors:**

The company initiated a crusade "Parle my green planet". It was one of India's biggest CSR activities. It instructed the school teachers in 5000 schools to teach and engage everybody about the reason for condition preservation different activities were arranged like planting more trees around India, moderating water, power and reusing waste. Parle G has demonstrated to be a famous brand as it centers around increasing the value of the end client as opposed to stamping cash from the pockets of Indian masses. The social condition keeps changing concerning time like the manner of the customer despite their strategy for lives. Business can't be productive till the association isn't stressed over the living course of action of the customer. Parle Industries Ltd is figuring out how to meet its objectives as the world remains searching for strong sustenance.

### **Technological Factors:**

A good FMCG company is always dependent on a high-quality product with a good shelf life as well as production which meets the demand. Parle as a company has constantly innovated and invested in improving the technology at their company. All its products are made in state-of-the-art factories with the highest levels of hygiene being maintained. Since these are food products, the technology is focuses on maintaining quality of the food, good packaging & a

long shelf life.

### **Legal Factors:**

Parle has been bound by several legal factors as well. FFA claimed its brand Kacha mango chomp brand contains lactic corrosive past passable points of confinement, FDA had asked Parle to review the brand after strikes on Parle processing plants. Its items countered this case by saying "lactic corrosive is broadly utilized in a few nourishments day to day items like curd, baby milk, bread, paneer and cheddar.

### **Environmental Factors:**

Parle, considering environmental effects, is set out to work in conditions with security of the basic stores and essentialness.

As on account of the gathering of greater number of things there might be a hazard if the benefits used are recyclable or not. The company has really contributed in protecting environment by various initiatives across the country. The company has also focused on environmentally friendly methods of production.

### **Pestel Analysis –**



### **The Parle marketing strategy that leads to achievements**

Parle has 150-plus products, 36 popular brands, and 21-plus transportation. It produces several fragments that build Parle as unique and productive.

## 1.Parle Product Genre

The marketing strategy of Parle-G has introduced a genre of products in the marketplace. It has Parle biscuits, including Parle-G, 20-20, KrackJack, Monaco, Magix, Fab, Marie, Milano, Happy Happy, Milk Shakti, and many more.

In snacks, Parles chips, Full Toss, Chat Keens and hide and seek, Nutri crunch, and others.



Eclairs, kaccha mango bite, mango bite, Melody, and Poppins are a few delicious confectionery products from the Parle brand.

While looking at product costs based on an economical budget, this type of product is relatively easy to spend for lower-class people and middle or upper-middle-class families to these kinds of products.

## The economical range of Parle products

Parle-G's marketing strategy is to keep their products cost economical that more accessible for them to attract consumers.

The marketing strategy of Parle-G achieved a high ratio just because of their economical pricing segment. Parle enables it to maintain its marketing and supply higher productions.

As per their marketing strategy to validate product standards, this method allows them to arrive at nearby large consumers.

Parle has struggled with a low-high turnover, but their cost section is a positive side of their growth ratio.

## Locality and product delivery approach

Parle-G's marketing strategy to reach every locality and different delivery plans of action is considered a profitable marketing strategy. In India, 70 -75% of people live in rural villages. Their Parle-G pack costs Rs 3, and they have ignored raising the price for many years. This plan of Parle biscuit marketing brought favorable results on their way.

The increase in small stores, Kirana stores, and retailing services brought a new ray to supplies of food and retail products and easy-to-reach rural consumers in their locality.

The product delivery is in different regions, including hotels, restaurants, and malls. Parle product delivery quantities increased that way.



### **The intelligent way of Ad promotion**

Parle Food brand uses the advertisement method, including tv, newspaper and print media, and online advertisements.

The way of Parle biscuit marketing ads is catchy to gain consumers' minds.

#### **ad promotion**

They have initiated their promotions through an advertisement mascot of a small girl over the Parle G biscuit packet.

They used delightful taglines, including the tasty, healthy food and Bharat ka Apna biscuit.

### **The association of sponsorships**

Parle FMCG brand sponsors popular Tv shows, including Shakti man, Chhota Bheem, and a few others.

#### **sponsorships**

Their main objective is to drive children's attention toward this product.



### **Branding through celebrity**

The brand ambassador of Parle products, including Twinkle Khanna for the Milano brand, and Amitabh Bachchan signed for Gold Star cookies, Amir Khan for Monaco.

Advertising campaigns create recognition, audience engagement, and sales conversion towards a service or brand.

Parle G's intelligent marketing strategy of Parle g assists them in strengthening their brand value and brand-building process.

### **Here are a few primary vital points through their ad strategy;**

#### **g mane genius**

You are my Parle-G marketing campaign to dedicate the mother for their endless work and sacrifices for their children and family.

Roko Mat Toko Mat campaign to bring awareness to understand a child's psychology and their interest in doing or learning to achieve.



### **Parle Argo promotion mix**

The Parle-G subordinate brand Parle Argo they have launched products like Frooti, Fizz, flavored milk, and Bisleri water.

## parle Argo

So, beverage company Parle Argo can understand the audience that makes consumers' choices listing.

The advertisement campaign parle Argo promotion mix through Alia Bhatt, Ram Charan, and Varun Dhawan can attract consumers towards these beverages.



## CHAPTER -4

## **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.

Behavior: 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.

### **Behavioral 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 tea time, 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.

## **Who is the consumer of the parle**

Parle's consumers are diverse and span various demographics. Here are the key consumer groups for Parle:

### **Children:**

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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 -5

## **Actual work done, findings, analysis**

### **1.Demand Forecasting:**

- Analyzing Sales Parle uses sophisticated analytical tools to examine past sales data, identifying patterns and trends. This analysis helps forecast future demand more accurately, reducing the risk of stockouts or excess
- **Inventory Market Analysis:** The company continuously monitors market trends, consumer behavior, and economic indicators. Seasonal variations and promotional activities are considered to adjust forecasts accordingly, ensuring that supply meets varying demand throughout the year.

### **2.Procurement Planning:**

- **Supplier Management:** Parle maintains strong relationships with a network of reliable suppliers to ensure a consistent supply of high-quality raw materials. The company regularly evaluates suppliers based on their performance, cost, and
- **Reliability Order Scheduling:** Orders for raw materials are meticulously scheduled based on production requirements and inventory levels. This helps maintain an optimal balance, ensuring that raw materials are available when needed without tying up excessive capital in inventory.

### **3.Inventory Control:**

- **Stock Monitoring:** Parle employs advanced inventory management systems to continuously monitor stock levels. This real-time tracking helps prevent overstocking and stockouts, ensuring that inventory is always at optimal levels.
- **Reorder Points:** The company sets specific reorder points for different products. When inventory levels fall to these predetermined points, automatic reordering is triggered, ensuring a seamless supply chain.

### **4.Storage and Handling:**

- **Warehouse Management:** Efficient warehouse management practices are crucial at Parle. The company optimizes warehouse space to ensure proper storage conditions, preventing spoilage and damage to products.
- **Inventory Rotation:** Parle implements FIFO (First In, First Out) or LIFO (Last In, First Out) methods, depending on the product type. This ensures that older stock is used first, reducing waste and maintaining product freshness.

### **5.Production Planning:**

- **Scheduling:** Production schedules are carefully planned to align with demand forecasts. This helps avoid overproduction, minimizing waste and reducing holding costs.
- **Resource Allocation:** Parle ensures that all necessary resources, including raw materials, labor, and equipment, are available as needed. This helps maintain a smooth and efficient production process.

#### 6. **Quality Control:**

- **Inspection:** Regular quality inspections are conducted to ensure that all inventory meets Parle's high standards. This includes checking for any defects or non-compliance with specifications.
- **Expiration Management:** The company closely monitors expiration dates to ensure that products are used or sold before they become outdated. This helps maintain product quality and reduces the risk of losses due to expired goods.

#### 7. **Distribution Management:**

- **Logistics Coordination:** Parle coordinates with logistics providers to ensure the efficient movement of goods from warehouses to distribution centers and retail outlets. This involves optimizing transportation routes and schedules to reduce costs and delivery times.
- **Order Fulfilment:** The company ensures that orders are accurately and timely fulfilled. This helps maintain high levels of customer satisfaction and loyalty.

#### 8. **Technology Utilization:**

- **ERP Systems:** Parle uses Enterprise Resource Planning (ERP) systems to integrate and automate various inventory management processes. This enhances efficiency and provides real-time visibility into inventory levels and movements.
- **Barcoding and RFID:** Barcoding and RFID technology are implemented to improve accuracy in tracking and managing inventory. This technology helps reduce errors and streamline inventory processes.

#### 9. **Cost Management:**

- **Cost Analysis:** Parle regularly analyzes inventory costs, including holding costs (storage, insurance, spoilage), ordering costs (purchase orders, shipping), and shortage costs (lost sales, expedited shipping).
- **Optimization:** The company implements strategies to minimize these costs while maintaining high service levels. This may include optimizing order quantities, improving storage conditions, and negotiating better terms with suppliers.

#### 10. **Reporting and Analysis:**

- **Inventory Reports:** Regular reports on inventory status, turnover rates, and other key metrics are generated. These reports provide valuable insights into inventory performance and help identify areas for improvement.
- **Performance Analysis:** Parle conducts detailed performance analyses to understand the impact of inventory management practices on overall business performance. This helps in making informed decisions and continuously improving inventory management processes.

By integrating these detailed practices, Parle ensures that its inventory management system is efficient, cost-effective, and capable of meeting customer demands while maintaining high-quality standards.





### **Findings:**

#### **Parle's inventory management focuses on:**

**Advanced Techniques:** Utilizes Just-in-Time (JIT), Materials Requirement Planning (MRP), and Economic Order Quantity (EOQ) to optimize inventory levels and reduce costs.

**Demand Planning:** Predicts customer demand accurately to maintain balance in inventory, avoiding overstocking and shortages.

**Technology Integration:** Implements ERP and inventory management systems for real-time monitoring and efficient decision-making .

**Supply Chain Coordination:** Ensures inventory levels align with market demand through effective coordination with suppliers.

These strategies help Parle maintain efficient operations and meet market demands effectively. Analysis of Inventory Management at Parle

**Strengths:**

**Advanced Techniques:** Utilizes Just-in-Time (JIT), Materials Requirement Planning (MRP), and Economic Order Quantity (EOQ) to reduce costs and optimize inventory levels.

**Technology Integration:** Employs ERP systems and inventory management software for real-time tracking and efficient decision-making .

**Demand Planning:** Accurate forecasting helps maintain balanced inventory levels, avoiding stockouts and overstocking .

**Weaknesses:**

**Forecast Dependence:** Inaccurate demand forecasts can lead to stockouts or excess inventory, affecting customer satisfaction and increasing costs.

**Complex Supply Chain:** Managing extensive supply chains requires constant coordination, posing challenges in maintaining timely deliveries and inventory control.



## CHAPTER - 6

## 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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