

Internship Report on Inventory and Supply Chain Practices at Indulge Food & Beverage Limited

Indulge Food
& Beverage Ltd.

Ahmedullah Prottoy

This report is submitted to the school of Business and Economics, United International University as a partial requirement for the degree fulfillment of Bachelor of Business Administration

Internship Report on Inventory and Supply Chain Practices at Indulge Food & Beverage Limited

Submitted to:

Dr. Saad Hasan

Associate Professor

School of Business & Economics (SoBE)

Submitted by:

Ahmedullah Prottoy

ID: 111 181 086

Major: Supply Chain Management

Registration Trimester: Fall 2025



School of Business and Economics
United International University

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Letter of Transmittal

March 08, 2026

Dr. Saad Hasan

Associate Professor

School of Business & Economics

United International University

Subject: Submission of Internship Report

Dear Sir,

I am pleased to submit my **Internship Report on Inventory and Supply Chain Practices at Indulge Food & Beverage Limited** as a partial fulfillment of the requirements for the degree of Bachelor of Business Administration (BBA).

This report is based on my three-month internship experience at Indulge Food and Beverage Limited (IFBL).

In preparing this report, I have also attempted to combine my academic knowledge with practical experience obtained throughout my internship. I do believe that the report may be considered accurate as I understand the practices of managing inventory within a multi-brand food and beverage organization.

I would be grateful for your valuable feedback and guidance regarding this report.

Sincerely,

Ahmedullah Prottoy

ID: 111 181 086

Declaration

I, **Ahmedullah Prottoy**, hereby declare that this internship report titled **Inventory and Supply Chain Practices at Indulge Food & Beverage Limited** is my own original work, prepared under the supervision of the company and university faculty.

I confirm that all the information and analysis presented in this report are based on my personal observations, practical experiences, and records obtained during the internship period. I also declare that this report has not been submitted to any other institution or organization for any academic purpose.

I take full responsibility for the content of this report and affirm that it has been prepared in accordance with the guidelines provided by my university.

Ahmedullah Prottoy

ID: 111 181 086

Certification of Similarity Index

Internship Report on Inventory and Supply Chain Practices at Indulge Food & Beverage Limited

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Acknowledgment

I would like to express my sincere gratitude to all those who supported me throughout my internship at **Indulge Food & Beverage Limited**.

First, I thank the **Management and Supply Chain Department** of the company for providing me with the opportunity to work as an Inventory Controller. Their guidance, encouragement, and knowledge-sharing helped me understand real-world supply chain operations.

Special thanks to my **supervisor and mentor**, whose continuous support, feedback, and instructions enabled me to perform my tasks efficiently and gain practical insights.

I am also grateful to my **university faculty**, who provided the academic foundation and guidance to prepare this report.

Finally, I extend my heartfelt gratitude to my family and friends for their encouragement and support throughout the internship and report preparation process.

Executive Summary

This internship report has been prepared as a partial fulfillment of the Bachelor of Business Administration (BBA) program with a major in **Supply Chain Management**. The report is based on my practical experience at **Indulge Food & Beverage Limited**, where I worked as an **Inventory Controller** in the Supply Chain Department.

The internship aimed to provide practical exposure to inventory control, purchasing, and distribution operations while applying theoretical knowledge. I actively participated in stock monitoring, goods receiving, stock issuance, reconciliation, reporting, and coordination with procurement and production teams.

The report analyzes the company's inventory management, purchasing policies, and distribution strategies. Findings indicate that the company has a structured supply chain, strong vendor relationships, and effective distribution channels. Areas for improvement include limited automation, manual documentation, and experience-based forecasting.

Recommendations include implementing ERP systems, advanced forecasting models, warehouse optimization, and strategic vendor evaluation. The internship strengthened my technical and professional skills, preparing me for a future career in Supply Chain Management.

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Chapter 1: Introduction

1.1 Background of the Report

This internship report has been prepared as a partial fulfillment of the Bachelor of Business Administration (BBA) program with a major in Supply Chain Management. The report is based on the practical experience gained during the internship period at **Indulge Food & Beverage Limited**, where I was assigned to the Supply Chain Department as an Inventory Controller.

The internship program provided me with the opportunity to bridge the gap between theoretical knowledge and practical corporate exposure. During my tenure in the Supply Chain Department, I was directly involved in inventory monitoring, stock reconciliation, warehouse coordination, and maintaining inventory accuracy. This report reflects my practical learning, observations, and analysis of inventory management practices within the organization.

The study primarily focuses on the operational activities of inventory control and its significance in ensuring efficient supply chain performance in a food and beverage manufacturing organization.

1.2 Objectives of the Report

The objectives of this report are categorized into two parts: general objective and specific objectives.

General Objective

The general objective of this report is to analyze the inventory control practices of **Indulge Food & Beverage Limited** within the broader framework of Supply Chain Management.

Specific Objectives

- To understand the overall supply chain operations of the organization.
- To analyze the inventory management system and stock control procedures.
- To identify the role of inventory control in maintaining supply chain efficiency.
- To evaluate inventory monitoring, storage, and documentation processes.
- To identify challenges faced in inventory management and recommend possible solutions.

1.3 Rationale of the Report

The rationale of this report is to gain in-depth practical knowledge about inventory control functions within a real corporate environment. As inventory is one of the most critical components of supply chain management, efficient control of stock directly affects production continuity, cost management, and customer satisfaction.

Working in the Supply Chain Department allowed me to observe how inventory decisions impact procurement, production planning, warehousing, and distribution. This report is therefore important not only for academic purposes but also for understanding how effective inventory management contributes to operational excellence in a food and beverage company.

Furthermore, the report highlights the practical application of supply chain theories learned during academic study.

1.4 Scope and Limitations of the Report

Scope of the Report

The scope of this report is limited to the inventory control activities within the Supply Chain Department of ****Indulge Food & Beverage Ltd.**** The report covers:

- * Inventory receiving and issuing procedures
- * Stock monitoring and reconciliation
- * Warehouse management practices
- * Documentation and reporting systems
- * Coordination between procurement, production, and warehouse

The study mainly emphasizes operational inventory control rather than strategic-level decision making.

Limitations of the Report

Despite sincere effort, the report has certain limitations:

- The internship duration was limited, which restricted deep analytical study.
- Confidential company data was not fully accessible due to corporate policy.
- Time constraints limited the scope of detailed financial analysis.
- The study is based largely on practical observation and internal discussions rather than extensive external research.

1.5 Definition of Key Terms

To ensure clarity and understanding, some key terms used in this report are defined below:

Inventory:

Inventory refers to the raw materials, work-in-progress goods, and finished products that are held by a company for production and sales purposes.

Inventory Control:

Inventory control is the process of managing and monitoring stock levels to ensure optimal availability while minimizing holding and shortage costs.

Supply Chain Management (SCM):

Supply Chain Management is the coordination and integration of all activities involved in sourcing, procurement, production, warehousing, and distribution to deliver products to customers efficiently.

Warehouse Management:

Warehouse management refers to the systematic control of storage, handling, and movement of goods within a warehouse.

Stock Reconciliation:

Stock reconciliation is the process of comparing physical inventory with recorded inventory to identify discrepancies.

Chapter 2: Company and Industry Profile

2.1 Company Analysis

2.1.1 Overview and History

Indulge Food & Beverage Limited is a fast-growing food and beverage manufacturing company in Bangladesh, engaged in producing high-quality bakery, confectionery, and beverage-related products for local markets. The company was established with the vision of delivering premium-quality food products while maintaining international standards of hygiene, safety, and supply chain efficiency.

Since its inception, the company has focused on product innovation, quality assurance, and efficient distribution networks. Over time, it has developed a structured supply chain system to ensure smooth procurement of raw materials, proper inventory management, and timely product distribution to distributors and retail partners.

The Supply Chain Department plays a vital role in supporting production continuity and market availability, where inventory control is one of the core operational functions.

2.1.2 Trend and Growth

Over the years, **Indulge Food & Beverage Limited** has experienced steady growth in production capacity and market expansion. The company has gradually expanded its distribution coverage and product portfolio to meet growing consumer demand.

Key growth trends include:

- Expansion of product varieties to meet changing customer preferences
- Improved warehouse and inventory control systems
- Strengthened relationships with suppliers and distributors
- Increased focus on cost control and operational efficiency

The growing urbanization and changing food consumption patterns in Bangladesh have positively influenced the company's sales growth and operational expansion.

2.1.3 Product / Service / Customer Mix

Product Mix:

The company primarily produces bakery and food products targeted toward mass consumers. The product categories include:

- Bakery items
- Confectionery products
- Packaged food items
- Beverage-related items

Service Mix:

The company ensures timely product delivery through a structured distribution network. Efficient supply chain coordination ensures product availability across retail outlets.

Customer Mix:

The company serves:

- Distributors
- Retailers
- Super shops
- End consumers

The majority of revenue is generated from distributor-based sales channels, supported by strong inventory planning and demand forecasting.

2.1.4 Company Operations

The operations of **Indulge Food & Beverage Limited** follow a structured supply chain flow:

Procurement → Inventory Management → Production → Warehousing → Distribution

Key operational activities include:

- Sourcing raw materials from approved suppliers
- Maintaining safety stock levels
- Monitoring stock through inventory control systems
- Coordinating with production to avoid stock-outs
- Managing finished goods inventory
- Ensuring timely delivery to distributors

As an Inventory Controller in the Supply Chain Department, my role was closely related to monitoring raw materials and finished goods stock levels, conducting stock reconciliation, and maintaining proper documentation to ensure smooth operational flow.

2.1.5 SWOT Analysis of the Company

Strengths:

- Strong supply chain coordination
- Quality-focused production process
- Growing brand recognition
- Efficient inventory monitoring system

Weaknesses:

- Limited automation in some warehouse operations
- Dependency on certain key suppliers
- Limited international market presence

Opportunities:

- Expanding demand for packaged food products
- Technological integration in inventory systems
- Potential for export market expansion

Threats:

- Intense competition in the food industry
- Raw material price fluctuations
- Regulatory changes and compliance requirements

2.2 Industry Analysis

2.2.1 Specification of the Industry

Indulge Food & Beverage Limited operates within the Food and Beverage Manufacturing Industry of Bangladesh. This industry involves the production, processing, packaging, and distribution of food and beverage products for domestic consumption.

The industry is highly competitive and demand-driven, requiring efficient supply chain management to maintain product freshness, cost control, and timely distribution.

2.2.2 Size, Trend and Maturity of the Industry

The Food and Beverage industry in Bangladesh is one of the largest and fastest-growing manufacturing sectors.

Size:

The industry contributes significantly to GDP and employment generation. It includes large multinational companies, local corporate groups, and small-scale manufacturers.

Trend:

- Increasing demand for packaged and processed food
- Rising middle-class consumption
- Growth of modern retail chains and super shops
- Adoption of ERP and inventory automation systems

Maturity:

The industry is in a growth stage but moving gradually toward maturity, with increasing competition, technological integration, and regulatory monitoring.

2.2.3 Industry SWOT Analysis

External Economic Factors:

- Inflation and raw material price volatility
- Exchange rate fluctuations
- Changes in import duties and taxation policies

Technological Factors:

- Adoption of ERP systems
- Automation in warehousing
- Digital inventory tracking systems

Companies that fail to adapt to technological advancements may lose competitive advantage.

Barriers to Entry:

- High initial capital investment
- Strict food safety and regulatory compliance
- Established brand loyalty of existing competitors

Threat of Substitutes:

- Homemade or unbranded local products
- Imported food products
- Alternative snack categories

Industry Rivalry:

The industry faces intense competition from major players such as:

- PRAN-RFL Group
- Akij Food & Beverage Ltd.
- Olympic Industries Ltd.

These companies maintain strong distribution networks and brand positioning, which increases competitive pressure.

Chapter 3: Inventory Control

Inventory control is one of the most critical functions within the Supply Chain Department of **Indulge Food & Beverage Limited**. Effective inventory management ensures smooth production operations, cost efficiency, reduced wastage, and timely delivery to distributors and retailers. As a food and beverage manufacturing company, maintaining accurate and optimal inventory levels is essential to prevent stock-outs, overstocking, and product expiration risks.

3.1 What are the inventories of **Indulge Food & Beverage Limited**?

At **Indulge Food & Beverage Limited**, inventory can be categorized into three major types based on operational requirements:

1. Raw Materials Inventory

Raw materials are the essential inputs used in the production process. These include:

- Flour, sugar, milk powder, cocoa powder
- Edible oil and other baking ingredients
- Packaging materials (cartons, wrappers, labels)
- Additives and preservatives

Proper monitoring of raw materials is crucial to ensure uninterrupted production and to avoid spoilage due to improper storage conditions.

2. Work-in-Progress (WIP) Inventory

Work-in-progress inventory refers to partially processed goods that are still in the production stage. In the food and beverage sector, WIP inventory exists during mixing, baking, cooling, packaging, and labeling stages.

Although WIP remains in the system for a short time due to continuous production flow, it must be monitored to maintain efficiency and minimize production delays.

3. Finished Goods Inventory

Finished goods inventory consists of completed products that are ready for distribution to distributors, retailers, and super shops.

Proper finished goods management is critical because:

- Products have limited shelf life.
- Overstocking increases holding costs and risk of expiry.
- Understocking may result in lost sales opportunities.

The company maintains a balance between demand forecasting and stock availability to ensure efficient supply chain performance.

3.2 Inventory Controller Main Tasks

During my internship as an Inventory Controller in the Supply Chain Department, I was engaged in several operational and monitoring activities. The primary tasks of an Inventory Controller at Indulge Food & Beverage Limited include:

1. Stock Monitoring and Recording

- Tracking daily stock movement (inward and outward).
- Updating inventory records in the system.
- Ensuring data accuracy between physical stock and recorded stock.

2. Goods Receiving and Inspection

- * Verifying raw materials received from suppliers.
- * Checking quantity and quality against purchase orders.
- * Preparing Goods Received Notes (GRN).

3. Stock Issuance to Production

- Issuing raw materials to the production department as per requisition.
- Maintaining proper documentation of material issuance.
- Ensuring FIFO (First-In, First-Out) method for perishable items.

4. Physical Stock Count and Reconciliation

- Conducting periodic physical inventory checks.
- Comparing physical count with system records.
- Identifying discrepancies and reporting variances.

5. Maintaining Safety Stock Levels

- Monitoring minimum stock levels to avoid stock-outs.
- Communicating with the procurement team when reordering is required.

6. Coordination with Other Departments

- Working closely with procurement, production, and warehouse teams.
- Supporting demand forecasting and production planning through accurate data.

7. Inventory Reporting

- Preparing daily and monthly stock reports.
- Highlighting slow-moving or excess inventory.
- Reporting potential risks such as near-expiry products.

Importance of Inventory Control in Supply Chain

Efficient inventory control contributes to:

- Cost reduction
- Improved production continuity
- Reduced wastage
- Better customer satisfaction
- Stronger overall supply chain performance

Through this internship experience, I gained practical exposure to real-time inventory management, stock reconciliation procedures, and cross-departmental coordination, which strengthened my understanding of supply chain operations in the food and beverage industry.

Chapter 4: Purchasing

Purchasing is a fundamental function within the Supply Chain Department of **Indulge Food & Beverage Ltd.** It ensures the timely procurement of quality raw materials at competitive prices to support uninterrupted production. Effective purchasing directly influences inventory levels, production continuity, product quality, and overall cost efficiency.

The purchasing process involves vendor selection, price negotiation, quality verification, purchase order issuance, goods receiving, and coordination with the inventory control unit.

4.1 From Which Vendors Raw Materials Are Purchased

At **Indulge Food & Beverage Limited**, raw materials are sourced from a combination of local suppliers and approved vendors. Vendor selection is based on several criteria, including product quality, reliability, price competitiveness, delivery lead time, and compliance with food safety standards.

Major Categories of Vendors

1. Flour Suppliers

Flour, being one of the primary raw materials for bakery production, is sourced from reputed local flour mills. These vendors ensure consistent quality and timely supply to avoid production disruption.

2. Sugar Suppliers

Sugar is purchased from established local sugar suppliers and distributors who maintain quality and stable pricing based on market conditions.

3. Dairy and Milk Powder Suppliers

Milk powder and related dairy ingredients are procured from certified suppliers who comply with food safety and hygiene standards.

4. Edible Oil Suppliers

Edible oil is sourced from well-known manufacturers and distributors to ensure consistent quality and proper packaging standards.

5. Packaging Material Suppliers

Packaging materials such as cartons, wrappers, labels, and poly bags are purchased from specialized packaging companies. These suppliers play a crucial role in maintaining product presentation and brand identity.

6. Additives and Ingredient Suppliers

Food additives, flavors, and preservatives are sourced from approved ingredient suppliers who meet regulatory and safety requirements.

Vendor Selection Criteria

The Supply Chain Department follows specific criteria before selecting or approving vendors:

- Product quality and certification
- Competitive pricing
- On-time delivery performance
- Financial stability
- Compliance with food safety regulations
- Past business performance

Vendor performance is regularly monitored to maintain long-term strategic relationships and ensure consistent supply.

Purchasing Process Flow

The typical purchasing process at **Indulge Food & Beverage Limited** follows these steps:

1. Demand identification by Inventory or Production Department
2. Requisition submission
3. Quotation collection and vendor evaluation
4. Purchase Order (PO) issuance
5. Goods receiving and inspection
6. Stock entry by Inventory Control
7. Invoice verification and payment processing

Role of Inventory Control in Purchasing

As an Inventory Controller, my role was closely connected to the purchasing function. I was responsible for:

- Monitoring stock levels and identifying reorder points
- Informing the procurement team about low stock
- Verifying received quantities against Purchase Orders
- Updating inventory records after receiving goods

Proper coordination between purchasing and inventory control ensures optimal stock levels, reduced holding costs, and uninterrupted production flow.

Chapter 5: Distribution

Distribution is one of the most important components of the supply chain of **Indulge Food & Beverage Limited**. As a food and beverage manufacturing company, efficient distribution ensures that finished goods reach distributors and retailers on time while maintaining product quality and freshness. A well-structured distribution system directly contributes to customer satisfaction, sales growth, and competitive advantage.

The Supply Chain Department plays a vital role in coordinating between warehouse, sales, and transport units to ensure smooth product flow from factory to market.

5.1 Distribution Policy

The distribution policy of **Indulge Food & Beverage Limited** is designed to ensure timely delivery, proper stock availability in the market, and cost-effective transportation management. The company follows a structured distribution model supported by inventory planning and demand forecasting.

1. Channel Structure

The company primarily follows a **Distributor-Based Distribution Channel**, which includes:

Manufacturer → Authorized Distributor → Retailer / Super Shop → End Consumer

Distributors act as intermediaries who purchase products in bulk and distribute them within assigned territories.

2. Territory-Based Distribution

Each distributor is assigned a specific geographic territory to avoid channel conflict and ensure proper market coverage. This policy helps maintain strong relationships with distributors and ensures systematic market penetration.

3. Order Processing Policy

- Distributors place orders based on market demand.
- The sales department verify orders.
- Warehouse prepares delivery based on stock availability.
- Inventory records are updated after dispatch.

Proper coordination between Sales, Warehouse, and Inventory Control ensures accurate and timely order fulfillment.

4. Inventory Allocation Policy

The company maintains adequate finished goods inventory to avoid stock-outs. Priority is given to fast-moving products to maintain consistent supply in the market.

FIFO (First-In, First-Out) method is strictly followed to minimize the risk of product expiration, which is especially important in the food and beverage sector.

5. Transportation Policy

Transportation is managed either through company-managed vehicles or third-party logistics providers, depending on delivery volume and location. The key objectives are:

- Timely delivery
- Cost minimization
- Product safety during transit

6. Credit and Payment Policy

Distributors are often provided with structured credit terms based on company policy. Payment cycles are monitored carefully to maintain healthy cash flow and reduce financial risk.

7. Role of Inventory Control in Distribution

As an Inventory Controller, my involvement in distribution-related activities included:

- Ensuring accurate stock availability before dispatch
- Verifying dispatch quantities
- Updating finished goods inventory records
- Monitoring slow-moving and fast-moving items
- Assisting in stock reconciliation after delivery

Effective distribution policy ensures smooth supply chain performance, reduces operational delays, and enhances overall organizational efficiency.

Chapter 6: Internship Experience

The internship program at Indulge **Food & Beverage Limited** provided me with valuable practical exposure to real-life supply chain operations, particularly in inventory control. As an intern in the Supply Chain Department, I had the opportunity to apply theoretical knowledge from my academic studies into practical business operations.

This chapter highlights my overall experience, learning achievements, challenges faced, and professional development during the internship period.

6.1 Nature of Work and Responsibilities

During my internship as an Inventory Controller, I was assigned to support daily inventory management activities. My key responsibilities included:

- Monitoring daily stock movement (raw materials and finished goods)
- Assisting in goods receiving and verification
- Supporting stock reconciliation processes
- Maintaining inventory records and documentation
- Coordinating with procurement and production departments
- Preparing stock-related reports

I was directly involved in warehouse operations, which helped me understand the practical workflow of supply chain management.

6.2 Practical Learning and Skill Development

The internship enhanced both my technical and soft skills.

Technical Skills Developed

- Practical knowledge of inventory management systems
- Understanding of FIFO and stock rotation methods
- Experience in stock reconciliation and variance analysis
- Knowledge of purchase order verification and GRN preparation
- Report preparation and documentation handling

Soft Skills Developed

- Communication and coordination skills
- Time management
- Problem-solving ability
- Teamwork and collaboration
- Professional workplace behavior

Working in a fast-paced environment improved my ability to handle responsibilities efficiently and maintain accuracy under pressure.

6.3 Challenges Faced During Internship

Despite the valuable learning experience, I faced several challenges:

- Adjusting to a professional corporate environment initially
- Managing large volumes of inventory data
- Handling discrepancies between physical and recorded stock
- Time pressure during stock audits and reporting periods

However, these challenges helped me grow professionally and develop problem-solving capabilities.

6.4 Application of Academic Knowledge

The internship allowed me to apply various supply chain concepts learned in my academic courses, such as:

- Inventory management techniques
- Economic Order Quantity (EOQ) concept
- Safety stock calculation
- Demand forecasting principles
- Supply chain coordination

Observing real-world supply chain operations strengthened my understanding of how theoretical models function in practical settings.

6.5 Contribution to the Organization

Although I worked as an intern, I contributed to the organization by:

- Assisting in maintaining inventory accuracy
- Supporting stock audits
- Identifying minor discrepancies during reconciliation
- Helping in organizing warehouse documentation

My active participation reduced workload pressure on senior staff and improved operational efficiency.

6.6 Overall Evaluation of Internship Experience

Overall, my internship at **Indulge Food & Beverage Limited** was highly beneficial for my professional development. It provided real-world exposure to supply chain operations and strengthened my interest in pursuing a career in Supply Chain Management.

The experience enhanced my practical knowledge, improved my professional confidence, and prepared me for future career challenges in the field of inventory and supply chain management.

Chapter 7: Findings and Analysis

This chapter presents the key findings and analytical observations based on my internship experience at **Indulge Food & Beverage Limited** in the Supply Chain Department, particularly in the Inventory Control section. The findings are derived from practical observation, operational involvement, and internal discussions with employees.

The analysis focuses on inventory management efficiency, purchasing coordination, and distribution effectiveness within the organization.

7.1 Findings from Inventory Management

1. Strong Operational Control System

The company maintains a structured inventory control process, including:

- Regular stock monitoring
- Proper documentation system
- Periodic physical stock verification
- Coordination between warehouse and production

This reduces the risk of major stock discrepancies and supports operational continuity.

2. Use of FIFO Method

The company strictly follows the **First-In, First-Out (FIFO)** method for raw materials and finished goods. This is especially important in the food and beverage industry to:

- Minimize product expiration
- Maintain product freshness
- Reduce wastage

This practice reflects effective supply chain discipline.

3. Dependence on Manual Processes

Although inventory records are maintained systematically, some processes still rely on manual documentation and physical monitoring. This may increase:

- Risk of human error
- Time consumption
- Data inconsistency

Automation opportunities exist to improve efficiency.

4. Safety Stock Management

The company maintains safety stock levels for fast-moving items and critical raw materials. However, in some cases:

- Safety stock calculation is based on experience rather than advanced forecasting models.
- Demand fluctuation sometimes creates temporary overstock or understock situations.

More data-driven forecasting methods could enhance performance.

7.2 Findings from Purchasing Operations

1. Vendor Selection Based on Reliability

Vendor selection is mainly based on:

- Quality standards
- Timely delivery performance
- Price competitiveness

Long-term relationships with suppliers contribute to procurement stability.

2. Price Volatility Risk

Raw material prices fluctuate due to:

- Market inflation
- Import dependency
- Supply shortages

This directly impacts production cost and inventory valuation.

3. Coordination Between Inventory and Procurement

Inventory control plays an important role in informing procurement about reorder points. However, stronger integration between demand forecasting and purchasing decisions could further optimize order quantity and reduce holding cost.

7.3 Findings from Distribution Operations

1. Efficient Distributor-Based Model

The company follows a distributor-based distribution channel, which ensures:

- Wide market coverage
- Reduced direct distribution cost
- Strong regional sales network

This model is effective for fast-moving consumer goods (FMCG).

2. Risk of Stock-Out in Peak Demand

During high-demand periods, there is occasional risk of:

- Insufficient finished goods inventory
- Delayed delivery

Improved demand forecasting and production planning could reduce this risk.

3. Importance of Inventory Accuracy

Accurate inventory data directly affects distribution efficiency. Any mismatch between physical stock and system records may:

- Delay order fulfillment
- Create delivery errors
- Affect distributor satisfaction

Therefore, inventory accuracy is critical for overall supply chain performance.

7.4 Overall Supply Chain Analysis

Based on my observation, the supply chain of Indulge Food & Beverage Limited demonstrates:

- Structured operational workflow
- Strong interdepartmental coordination
- Effective use of FIFO system
- Stable distributor network

However, the company can further improve by:

- Implementing advanced ERP systems

- Enhancing demand forecasting models
- Increasing warehouse automation
- Reducing manual documentation processes

7.5 Internship-Based Analytical Insight

From a Supply Chain Management perspective, I observed that:

- Inventory control acts as the backbone of production continuity.
- Purchasing efficiency directly influences cost structure.
- Distribution performance depends heavily on inventory accuracy.

The overall system is functional and stable, but modernization and data-driven decision-making can significantly enhance operational efficiency and competitive advantage.

Chapter 8: Recommendations

Based on the findings and analysis from my internship experience at **Indulge Food & Beverage Limited**, several recommendations can be proposed to improve inventory control, purchasing efficiency, and overall supply chain performance. These recommendations are practical and aligned with modern Supply Chain Management practices.

8.1 Recommendations for Inventory Management

1. Implementation of Advanced ERP System

The company should adopt a more integrated and automated ERP (Enterprise Resource Planning) system to:

- Reduce manual errors
- Improve real-time inventory tracking
- Enhance coordination between procurement, production, and warehouse
- Generate automated reports

Automation will improve data accuracy and operational efficiency.

2. Data-Driven Demand Forecasting

The company should apply advanced forecasting techniques based on:

- Historical sales data
- Seasonal demand patterns
- Market trends

Using forecasting models will help determine optimal safety stock levels and reduce both stock-out and overstock situations.

3. Regular Inventory Audit System

Although periodic stock checks are conducted, a structured monthly or quarterly audit system can:

- Improve inventory accuracy
- Detect discrepancies early
- Reduce inventory shrinkage
- Strengthen internal control

4. Warehouse Layout Optimization

Improving warehouse layout design can:

- Reduce material handling time
- Improve accessibility of fast-moving items
- Increase storage efficiency
- Reduce operational delays

Implementing proper bin coding and labeling systems would further enhance efficiency.

8.2 Recommendations for Purchasing Operations

1. Supplier Performance Evaluation System

The company should develop a structured supplier performance evaluation system based on:

- On-time delivery rate
- Quality consistency
- Price stability
- Responsiveness

This will help maintain long-term strategic partnerships and reduce procurement risks.

2. Strategic Sourcing and Bulk Purchasing

For frequently used raw materials, bulk purchasing agreements or long-term contracts could:

- Reduce price volatility risk
- Ensure stable supply
- Lower procurement cost

3. Alternative Supplier Development

To reduce dependency on single suppliers, the company should:

- Develop backup suppliers
- Maintain approved vendor lists
- Evaluate potential alternative sourcing options

This will minimize supply disruption risk.

8.3 Recommendations for Distribution Operations

1. Improved Demand and Production Coordination

Closer integration between sales forecasting and production planning can:

- Reduce stock-out risk
- Ensure product availability during peak seasons
- Improve distributor satisfaction

2. Real-Time Distribution Tracking

Introducing digital tracking for dispatch and delivery can:

- Monitor shipment status
- Reduce delivery delays
- Improve transparency

3. Performance-Based Distributor Evaluation

Regular evaluation of distributor performance based on:

- Sales achievement
- Payment cycle compliance
- Market coverage

This will strengthen distribution efficiency and ensure balanced regional growth.

8.4 Overall Strategic Recommendations

To enhance overall supply chain performance, Indulge Food & Beverage Limited should:

- Increase automation in warehouse operations
- Strengthen data analytics capabilities
- Provide regular training to supply chain employees
- Implement continuous improvement strategies

By adopting these recommendations, the company can improve operational efficiency, reduce cost, enhance competitiveness, and strengthen its market position in the food and beverage industry.

Chapter 9: Conclusion

The internship at **Indulge Food & Beverage Limited** provided an invaluable opportunity to gain practical exposure in Supply Chain Management, specifically in **Inventory Control**, Purchasing, and Distribution operations. Through this hands-on experience, I was able to bridge the gap between academic knowledge and real-world business practices.

During the internship, I observed that **inventory management** is the backbone of the supply chain. Accurate inventory control ensures continuous production, reduces wastage, and facilitates timely delivery of finished products. Effective coordination between the Inventory, Procurement, and Distribution teams is critical for the smooth functioning of the company's operations.

The company follows structured policies in procurement, inventory maintenance, and distribution. Strong vendor relationships, FIFO practices, and a distributor-based distribution channel contribute significantly to operational efficiency. However, some areas, such as manual inventory recording, limited automation, and reliance on experience-based forecasting, can be further optimized to enhance performance.

Through this internship, I developed practical skills in:

- Inventory monitoring and reconciliation
- Goods receiving and stock issuance
- Coordination with procurement and production departments

- Report preparation and documentation
- Observing operational workflows and supply chain decision-making

Overall, my internship experience not only strengthened my technical knowledge but also improved my professional and soft skills, including teamwork, communication, and problem-solving.

In conclusion, **Indulge Food & Beverage Limited** provides a well-structured environment for learning and growth in Supply Chain Management. The practical exposure I gained during this internship has prepared me to face future challenges in the supply chain field and has inspired me to pursue a career in inventory and logistics management.