



Course Title: Internship Course Code: INT 4399

Topic

Internship report on

“ABC analysis of Inventory management on Unimart LTD”

Submitted to:

Dr Saad Hasan

Associate Professor

School of Business and Economics United International University (UIU)

Submitted by:

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111201248

Supply Chain Management

unimart

| 10

Years of
Delightful
Experience

**Thank you for
being the reason
of our **delight.****

Letter of transmittal

Date: 18/06/2024

Dr. Saad Hasan

Associate Professor

School of Business & Economics

United International University

Subject: Submission of internship report on “ABC analysis of Inventory management on Unimart LTD”

Dear Sir.

Assalamu-alaykum, I would like to express my sincere gratitude for the guidance and support you have extended to me throughout the preparation of this report. This document contrasts the summary and analysis derived from my internship experience at UNIMART LTD, focusing specifically on the topic of “ABC Analysis of Inventory Management at Unimart Limited”. During my time there, I engaged in practical work and closely observed the daily operations, management practices, and competitive landscape of the company. I acquired valuable insights through discussions with my colleagues and by utilizing secondary resources, including online materials. This comprehensive information formed the basis of my report. I acknowledge that there may be errors within this document, and I kindly ask for your understanding regarding any mistakes. Throughout my three-month internship at the Unimart Corporate Head Office, I was actively involved in the company daily operations. Your guidance and unwavering support have been instrumental in the progress of this project, for which I am truly thankful. I am eager to continue learning and enhancing my skills, and I look forward to your feedback on the analysis presented in this report.

Sincerely Yours,

Hossain Bin Islam Rohit

ID # 111 201 248

School of Business and Economics

United International University

Declaration of Studentship

My name is Hossain Bin Islam Rohit, and I am currently a student at the School of Business and Economics at United International University. I hereby affirm that the report entitled “ABC Analysis of Inventory Management on Unimart Limited” represents my original work. This report is the result of my internship experience in the Procurement department of Unimart Limited, a subsidiary of United Group. It has been prepared to meet the academic requirements of the BBA program and is founded on comprehensive research, analysis, and my personal contributions. I confirm that all content within the report is authentic, current, and sourced from reputed references. Any citations, referenced, or quotations utilized in the report have been properly acknowledged through appropriate citations and bibliography.

Hossain Bin Islam Rohit

111 201 248

Bachelors of Business Administration

United International University

Supervisor certificate

This report serves to confirm that Hossain Bin Islam Rohit, ID number 111-201-248, has successfully completed the internship report entitled “ABC Analysis of Inventory Management on Unimart Limited”. This report is submitted as a part of the requirements for the Bachelor and Economics. The report coheres to all stipulated guidelines established by the university concerning format and quality, and it is exclusively derived from the experiences and data collected during the intern’s tenure in the Procurement Department of Unimart Limited.

Dr. Saad Hasan

Associate Professor

School of Business and Economics

United International University

Acknowledgment

I wish to commence by conveying my heartfelt appreciation to the almighty for bestowing upon me the fortitude necessary to complete the assignment within the designated timeframe. Internships is an integral aspect of the BBA curriculum, as they provide invaluable practical experience through observation and engagement in the daily operations of a company. My internship at Unimart Ltd. Proved to be an exemplary opportunity for professional growth.

I would also like to take this moment to extend my gratitude to Dr. Saad Hasan, my outstanding internship supervisor and an Associate Professor at the School of Business and Economics (SOBE) at United International University. The success of this project would not have been possible without her essential guidance, which formed the cornerstone of my efforts.

Furthermore, I would like to acknowledge the Procurement Team, particularly my supervisor Unimart, for his unwavering support and insightful feedback throughout this endeavor. I am also thankful to all the colleagues at Unimart for their steadfast encouragement during this challenging period. Their belief in my abilities was pivotal to my success.

In conclusion I wish to express my gratitude to my dear friends, family, United International University, and everyone at Unimart LTD. For their unwavering support and motivation throughout this academic journey. This acknowledgment reflects the collective contributions, for which I am profoundly thankful. Consequently, it was a rewarding experience to oversee and engage with operations during my internship

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Executive Summary

Unimart LTD stands as a beacon of distinction within the burgeoning landscape of retail in Bangladesh, embodying a unique approach to the supermarket. This report delves into a critical aspect of Unimart's operations: its inventory management practices. Through the lens of ABC analysis, this study explores the efficacy of Unimart's inventory management strategies and their alignment with the company's overarching goals.

The document commences with a comprehensive introduction to Unimart Ltd, detailing its historical background, mission statement, and vision. Additionally, it provides a concise examination of the significance of inventory management systems within the retail sector as it pertains to the organization. Furthermore, the analysis includes a SWOT assessment of Unimart, focusing on the company's inventory management practices and its strategies for engaging with suppliers to procure products for the Unimart Outlet

The ABC analysis categorizes inventory based on its significance to the organization's operations and financial impact. By classifying items, A, B, and C according to their respective levels of importance, this method enables Unimart to prioritize resources and attention accordingly. This report analysis the implementation ABC analysis in the inventory management system of Unimart, assessing its efficacy in optimizing inventory levels, minimizing carrying costs, and improving overall operational efficiency.

Key findings reveal the nuanced dynamics of Unimart's inventory composition, with high-value items (Category-A) commanding strategic focus to ensure adequate availability and minimize stockouts. Meanwhile, moderate-value items (Category-B) require balanced management to prevent excess inventory while meeting demand fluctuations. Lower-value items (Category-C) necessitate streamlined handling to avoid undue investment of resources.

Furthermore, the report highlights the interplay between ABC analysis and Unimart's broader business objectives, emphasizing the role of inventory management in fostering customer satisfaction, maximizing profitability, and sustaining competitive advantage.

The three-month duration of the project may have limited the extent of data collection and analysis, which the paper identifies as a notable limitation. Furthermore, concerns regarding confidentiality restricted the extensive use of sensitive data. This section provides a comprehensive overview of the internship experience, detailing the tasks, responsibilities, outcomes, and challenges encountered throughout the internship.

Chapter-1

1.1 Introduction

1.1.2 Origin of the report

This report has been prepared as a requirement for the Internship component of my Bachelor of Business Administration program. The internship was conducted at Unimart Limited, a subsidiary of United Group. Throughout my time there, I gained practical insights into the functioning of the supply chain, particularly through my involvement in the Procurement department. My responsibilities included product sourcing, inventory control at the retail outlets, and stock management. This document outlines the comprehensive approach taken by Unimart Limited in managing its supply chain operations, including logistics and inventory support, as well as the procurement of diverse products. Additionally, it evaluates potential scenarios for inventory distribution across all retail locations. This report is titled “ABC Analysis of Inventory Management at Unimart Limited”.

1.1.3 Purpose of the report

The scope of this report is to provide Unimart LTD with actionable insights and recommendations to enhance its inventory management practices. Through a comprehensive analysis of current inventory management processes, including an ABC analysis of inventory items, the report aims to identify strengths, weaknesses, and opportunities for improvement. Through the enhancement of inventory management, the minimization of expenses, and the augmentation of operational effectiveness of Unimart can better meet customer demand, minimize stockouts, and enhance overall customer satisfaction. Additionally, the report will highlight risks associated with inventory management and propose strategies to mitigate these risks, supporting Unimart’s long-term financial health and strategic objectives. Ultimately, the report aims to serve as a valuable resource for Unimart’s management team, facilitating decisions based on data and prompting ongoing enhancement in inventory management practices.

1.1.4 Objective of the report

- Finding the company insight of Unimart like its background.
- Comprehending the organizational framework and operational procedures.
- Applying theoretical insights to facilitate practical implementation.
- Acquiring knowledge of corporate strategy through experiential learning.
- Significance of inventory management within its operation.
- Current inventory management practices across its major outlets.
- What type of methods they have used to control the inventory?
- How they keep track of inventory both within Unimart and throughout the supply chain.
- To understand how ABC analysis can optimize inventory management processes.

1.1.5 Limitations of the report

Every project inherently possesses certain limitations. The absence of limitations would render it infeasible to engage in any form of work. This report, too, encounters specific constraints, given that it pertains to a private company, I was unable to obtain a comprehensive annual report, as such documents are not created. Nevertheless, I managed to acquire some information through access to the ERP software. Due to the restricted nature of the information available, several assumptions were necessary. Additionally, coordinating with numerous busy individuals posed a challenge in gathering the required data for my report amidst their demanding schedules.

- Some documents which is confidential for Unimart LTD. So, they are unable to share that information for the company's well-being.
- While gathering secondary data, I found that the information I required was not fully available on their websites, as well as on numerous other platforms.

1.1.6 Methodology

The research was conducted systematically, starting with the selection of the topic and culminating in the preparation of the final report. A crucial phase involved the discovery and collection of data, Subsequently, the data were meticulously organized, analyzed and presented to highlight significant findings, this report aims to inform the audience about the various product categories and their respective subcategories at Unimart. In essence, readers will gain insights into how Unimart manages its inventory and operational sectors. However, in the process of gathering secondary data, I found that the information available on their websites and other platforms was insufficient to meet all my research needs.

1. Primary Data

- Observation
- Practical Work
- Compile Data
- Information from colleagues
- Visit to outlet

2. Secondary Data

- Unimart report, article, newspaper
- Unimart website
- Official records

Chapter-2

2.1 Company Profile

2.1.1 Unimart Company

Unimart LTD a subsidiary of United Group, serves as a premier provider of retail services, meticulously crafted to deliver an opulent customer experience. As a leader in the retail and services sectors, Unimart LTD has established itself through its two primary divisions – Retail and Food & Beverages – both of which have set industry standards since their inception. In pursuit of a mixed commercial enterprise, United Group conceptualized Unimart in 2013, launching a compact superstore that spans 40000 square feet. This innovative retail format was the first of its kind, offering a diverse range of products including food, non-food items, and general merchandise, complemented by dedicated store-in counters.

Unimart came the establishment of the desire for new standards in commercial space utilization, particularly in the setting of hypermarkets. The difficulty of space availability, which was a key barrier for a hypermarket of this size, was made easier by taking advantage of the significant floor space in United Group’s location.

Unimart a “hypermarket”, combines a food supershop with a department shop, offering a wide range of items to meet everyday necessities. When entering Unimart, there are thousands of products that you will see in each category. The departments in the outlet are divided category-wise such as Perishables, Food, Toiletries, skincare, Toys, Stationary, lifestyle and apparels.

2.1.2 Unimart Brands



2.1.3 Unimart Branch



Gulshan-1



Dhanmondi



Gulshan-2



United City



Wari



Sylhet



Airport Centrepoint

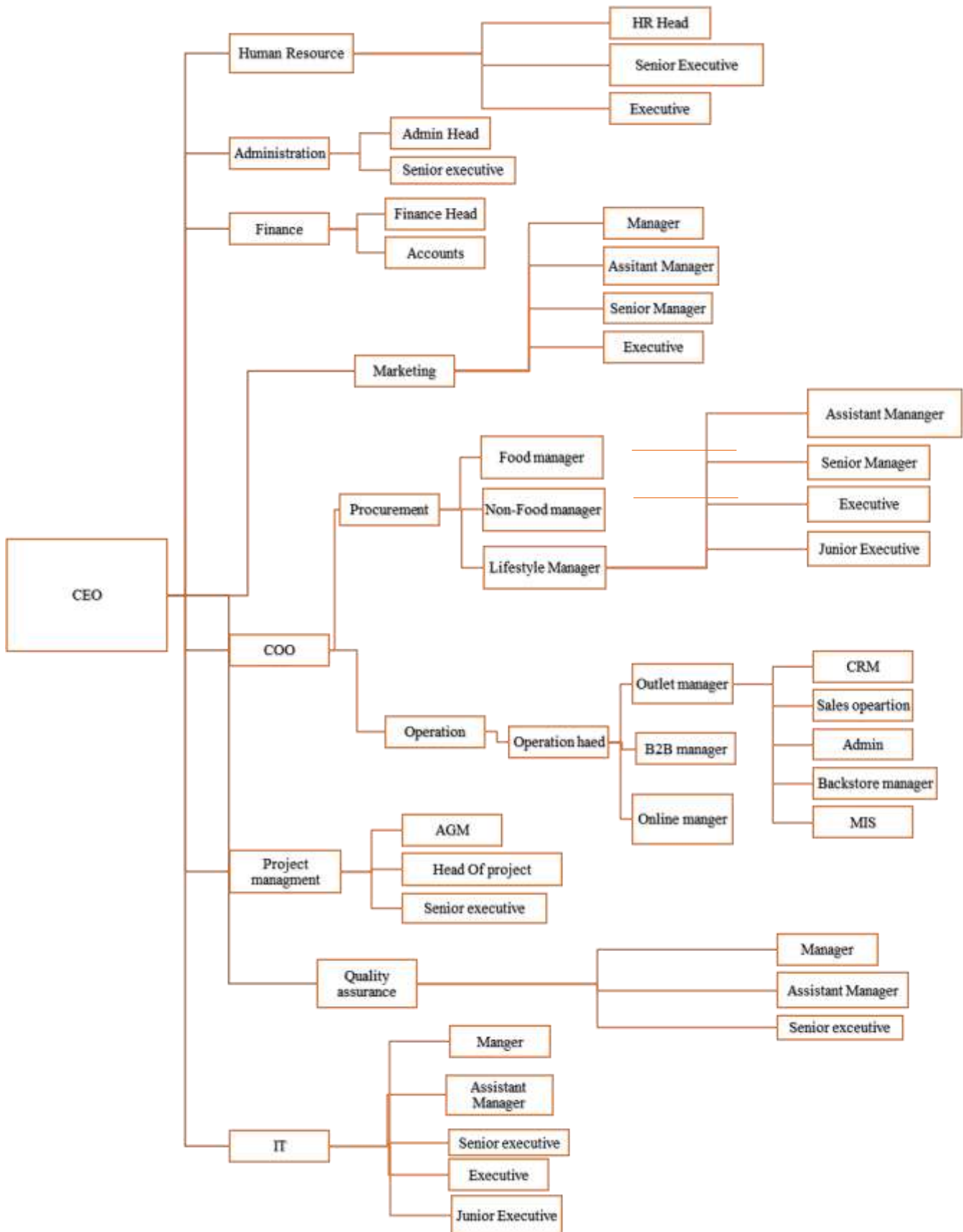
2.1.4 Mission

“Unimart’s goal is to provide a one-stop solution for daily necessities and lifestyle solutions”

2.1.5 S-W-O-T analysis

<u>Strength</u>	<ul style="list-style-type: none">❖ A large shopping mall, rather than regular superstores❖ Skilled employees are set in the store to serve consumers according to their needs.❖ About 60000 products are available in the store which gives freedom of purchase decision.❖ The advanced technology inventory system is used to manage the inventory system.❖ Convenient location for target market.
<u>Weakness</u>	<ul style="list-style-type: none">❖ The price of the product is comparatively higher due to added VAT, and tax which may cause dissatisfaction from the customer.❖ The organization is more foreign customer-centric rather than local ones.❖ Small outlets are not set up for further customer reach.❖ Due to small outlets installed by other competitors may lose potential customers.
<u>Opportunity</u>	<ul style="list-style-type: none">❖ Opportunity to conduct mass promotion to attract more customers.❖ Increase more outlets to reach more customers.❖ Local customers should be on the priority list.❖ Develop strategic partnership
<u>Threats</u>	<ul style="list-style-type: none">❖ More operational expansion by the competitor is causing a loss of market share.❖ Greater challenges might come if it’s established in a different region.❖ Since huge products are available in the outlet promotion avoidance may cause unawareness of potential customers.

2.1.6 Corporate Structure of Unimart



Chapter-3

3.1 Inventory Management of Unimart

Effective inventory management focuses on determining the appropriate quantity and arrangement of stored items. It is essential across various sites within a facility or across multiple points in a supply chain to safeguard the consistent and anticipated flow of production against the unpredictable occurrence of material or product shortages. The domain of inventory and asset management encompasses a range of critical factors, including the variation of replenishment lead times, inventory carrying costs, assets oversight, forecasting of inventory needs, valuation of stock, visibility of inventory levels, predictions of future inventory prices, physical stock assessments, available storage capacity, quality control, replenishment processes, handling of returns and defective items, as well as demand forecasting.

Unimart a prominent retail chain employs a sophisticated inventory management system designed to optimize stock levels, enhance efficiency, and meet customer demand effectively. Due to over 60000 various products, Unimart ensures accurate tracking of inventory from the point of supply to the point of sale. The system integrates with the company supply chain operations, allowing for automated reordering and minimizing the risk of overstocking or stockouts. Additionally, Unimart leverages predictive analytics to forecast demand trends, thereby aligning inventory levels with consumer purchasing patterns. This strategic approach not only reduces operational costs but also improves customer satisfaction by ensuring product availability and timely replenishments.

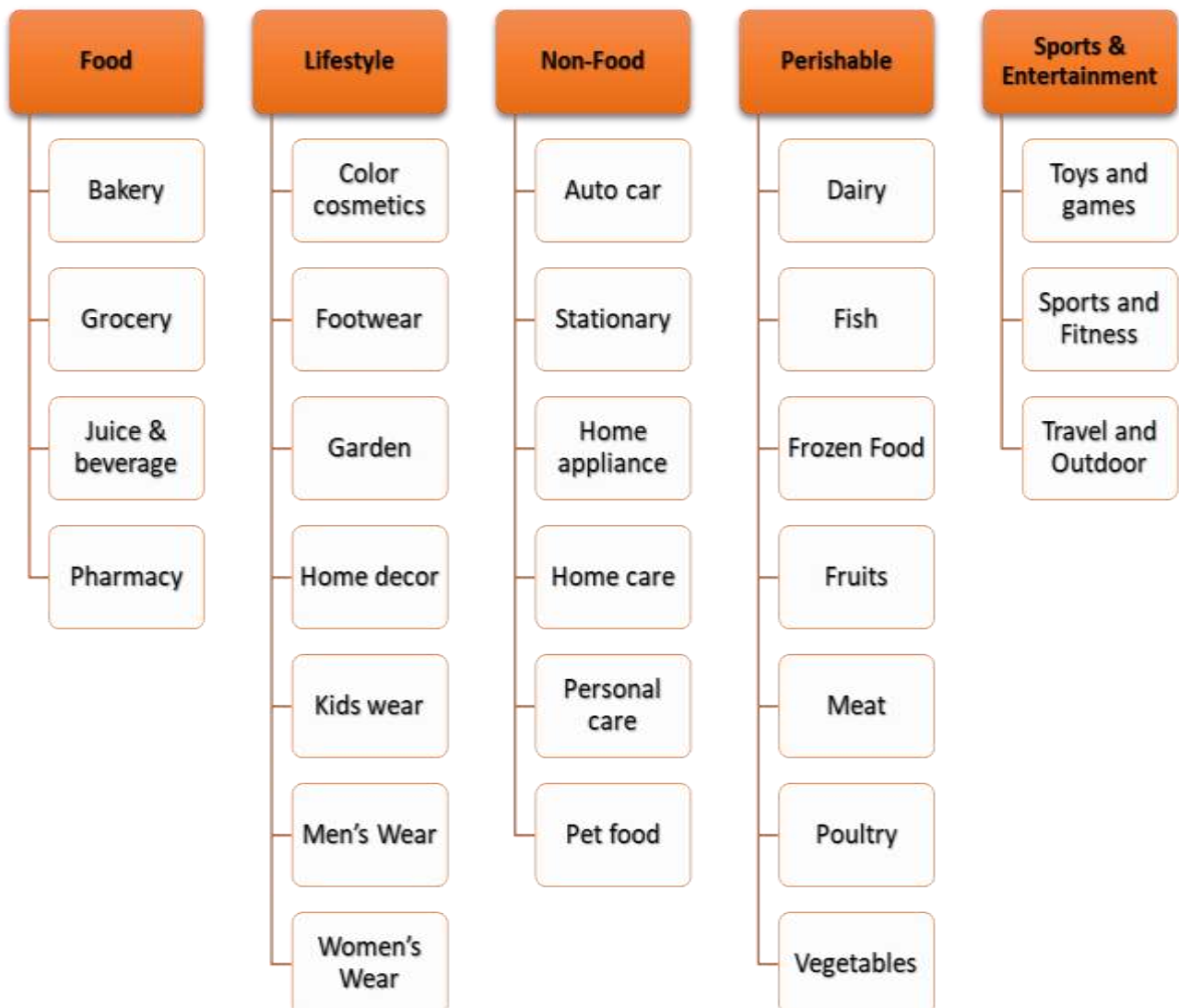
3.1.1 Inventory stock

Unimart is one of the largest Hypermarket in Bangladesh and the most successful retail sector that operates with an exceptionally complex and efficient inventory stock management system. The company manages millions of products across various categories, including groceries, electronics, clothing, non-food, toys, and more across thousands of products in each outlet. Unimart mainly uses advanced technology to control such a big outlet and with thousands of products they have to deal with over 2lakh customers in each outlet. So, they have to use ERP software and IOT to track inventory in real time, ensuring accurate and up-to-date stock levels. Due to technology and data analytics to predict consumer demand accurately. Unimart uses a decentralized distribution system as the products come from different suppliers and are stored in the warehouse of each outlet. This strategic approach to inventory management reduces operational costs with large outlets under the United Group real estate building.

As the inventory should be on the shelf of every outlet the product from the suppliers needs to be ensured to be delivered within time. The Supply Chain Team always ensures the product is on time with their strategic approach so that customers don't feel dissatisfied about the empty shelf. The inventory is organized in every outlet in different segments. The department store component of Unimart is primarily represented in what is technically referred to as the "Non-Food" section, which encompasses a variety of products such as clothing, footwear, fitness equipment, stationary, gift items, kitchen utensils, toys and cosmetics, located within the initial aisles. They also carry themselves with additional items called pet food, pet accessories, baby furniture items, hardware tools, and international toy brands. Unimart boasts the most extensive assortment of toys available in Gulshan. For home decoration all the household such as ovens, blenders, and electronics required for grooming such as hair straighteners, shavers, and trimmers. After experiencing all the non-perishable items, the customers will be greeted with perishables and grocery products with great varieties of local and imported ones. Unimart stocks organic honey, ghee, rice, and dried rice. The fresh high-quality fish and meat that is extracted from the locals will encourage customers to purchase it. If we draw the categorization of Unimart how the products are overviewed we can analyze in the next section.



3.1.2 Category of inventory



3.1.3 Inventory counting system of Unimart



The inventory counting system of Unimart, known for its “Hypermarket” model that combines a food super shop with a department store, employs a periodic counting system for managing its vast array of 60000 products. Traditionally, Hypermarket, discount stores, and department stores have relied on periodic counting systems. However, most modern retailers have transitioned to computerized checkout systems that utilize laser scanning devices to read universal product codes (UOCs) or var codes on item tags or packaging. The POS systems electronically record actual sales, providing real-time data on consumer demand. So Unimart uses this advanced technology to access sales information and enhance forecasting and inventory management, enabling more precise restocking decisions. By making this data available to suppliers, POS systems are a critical component of effective supply chain management. The use of these scanners in Unimart offers significant advantages, including increased speed and accuracy in processing transactions, continuous inventory monitoring, reduced need for periodic reviews, optimized order sizes, and improved customer service through detailed receipts indicating the price and quantity of purchase items.

3.1.4 Lead-Time of Inventory

<u>Items</u>	<u>Description</u>
<u>Apparels</u>	<p>Lead time: 10-12 days Forecasting the Product: 1-month earlier Buffer stock: (200 – 250) quantity each segment</p>
<u>Dairy & Frozen items</u>	<p>Lead time (dairy): 1 day Lead time (frozen item): 3 days Forecasting the Product: 1-month earlier Buffer stock: 1 week for dairy and Frozen is for 2 months.</p>
<u>Perishables items</u>	<p>Lead time (fruits): Depends on the shelf life of each product. Lead time Vegetables: 2 or 3 days maximum Lead time (meats): 1 or 2 days Buffer stock: Not applicable</p>
<u>Toys & Household items</u>	<p>Lead time: 1 week Forecasting the Product: 1-month earlier Buffer stock: 100 quantities Depends on LC because 50% of products are imported</p>
<u>Grocery and Toiletries</u>	<p>Lead time: 3 days Forecasting the Product: 1-month earlier Buffer stock: 200 quantities of each segment</p>

Chapter-4

4.1 ABC classification of Unimart

ABC analysis is a technique employed in inventory management to classify items according to their importance, which is generally assessed through consumption value. This approach segments inventory into three distinct categories: A, B, and C. Items classified as “A” are those of high value that significantly influence total revenue, yet they usually constitute a minor fraction of the overall inventory. ‘B’ items have moderate value and impact on revenue, striking a balance between quantity and value. ‘C’ items, though low in individual value, constitute the majority of the inventory and have a minimal impact on revenue; by classifying inventory in this manner, the business can prioritize its resources and attention on the most critical items, ensuring better stock control, reduced costs, and improved customer satisfaction. ABC analysis enables companies to streamline their inventory processes, focusing on efficiency and profitability.

Unimart Super Shop, a prominent retail chain establishment continually seeks to optimize its inventory management to balance customer satisfaction and cost efficiency. My analysis is mainly based on Unimart Ltd and I was enrolled to the procurement section because the company has a huge Stock-keeping unit (SKU) within the inventory section which consists of 60000 items in total and over 10 thousand variants of imported and local products. To maintain this inventory here the ABC analysis is used to classify the inventory into high-value items with significant revenue impact (A-Class), moderate-value items with moderate impact (B-Class), and low-value items with minimal impact (C-Class). This categorization will help me to understand to make decision whether to store the items or minimize the stock as per the customer demand. Since Unimart is a Super shop with a large area of thousands of products the customers will purchase and from here I have to analyze which products are fast-moving and which are not. Since the inventory is placed according to the categorization this enables me to find out which section or product customers buying frequently. The findings involve collecting detailed sales and inventory data, calculating the annual consumption or monthly basis for each item, ranking the items based on these values, and then dividing them into three categories.

- **A Class: The leading 20% of items account for approximately 70-80% of the overall consumption value.**
- **B Class: The leading 30% of items account for approximately to (15-25) % of the overall consumption value.**
- **C Class: The rest of the 50% of items contribute to (5-10) % of the overall total consumption value.**

The ABC analysis method is shown below with the appropriate data that was collected from the Unimart.

4.1.1 Data Analysis

S. N	SKU	Number of Items sold	Cost/Unit	Annual Units	% Annual units sold	ABC classification	Cumulative Annual Usage
1	SKU 1-10	350	1615	565250	11.63%	A	11.63%
2	SKU 1-11	196	1695	332220	6.84%	A	18.47%
3	SKU 1-12	212	1500	318000	6.55%	A	25.02%
4	SKU 1-13	112	2520	282240	5.81%	A	30.83%
5	SKU 1-14	186	899	167214	3.44%	A	34.27%
6	SKU 1-15	311	320	99520	2.05%	A	36.32%
7	SKU 1-16	800	119	95200	1.96%	A	38.28%
8	SKU 1-17	185	495	91575	1.88%	A	40.16%
9	SKU 1-18	87	890	77430	1.59%	A	41.75%
10	SKU 1-19	466	165	76890	1.58%	A	43.34%
11	SKU 1-20	250	285	71250	1.47%	A	44.80%
12	SKU 1-21	360	179	64440	1.33%	A	46.13%
13	SKU 1-22	760	80	60800	1.25%	A	47.38%
14	SKU 1-23	53	1120	59360	1.22%	A	48.60%
15	SKU 1-24	113	520	58760	1.21%	A	49.81%
16	SKU 1-25	400	145	58000	1.19%	A	51.01%
17	SKU 1-26	442	130	57460	1.18%	A	52.19%
18	SKU 1-27	96	595	57120	1.18%	A	53.37%
19	SKU 1-28	760	75	57000	1.17%	A	54.54%
20	SKU 1-29	510	110	56100	1.15%	A	55.69%
21	SKU 1-30	311	180	55980	1.15%	A	56.85%
22	SKU 1-31	344	162	55728	1.15%	A	57.99%
23	SKU 1-32	355	150	53250	1.10%	A	59.09%
24	SKU 1-33	125	410	51250	1.05%	A	60.14%
25	SKU 1-34	65	785	51025	1.05%	A	61.19%
26	SKU 1-35	153	299	45747	0.94%	A	62.13%
27	SKU 1-36	98	465	45570	0.94%	A	63.07%
28	SKU 1-37	880	50	44000	0.91%	A	63.98%
29	SKU 1-38	257	163	41891	0.86%	A	64.84%
30	SKU 1-39	410	99	40590	0.84%	A	65.68%
31	SKU 1-40	667	45	30015	0.62%	B	66.29%
32	SKU 1-41	76	380	28880	0.59%	B	66.89%
33	SKU 1-42	78	365	28470	0.59%	B	67.47%
34	SKU 1-43	334	85	28390	0.58%	B	68.06%
35	SKU 1-44	479	58	27782	0.57%	B	68.63%
36	SKU 1-45	21	1290	27090	0.56%	B	69.19%
37	SKU 1-46	27	995	26865	0.55%	B	69.74%
38	SKU 1-47	58	450	26100	0.54%	B	70.28%

39	SKU 1-48	59	425	25075	0.52%	B	70.79%
40	SKU 1-49	443	55	24365	0.50%	B	71.30%
41	SKU 1-50	97	250	24250	0.50%	B	71.80%
42	SKU 1-51	98	240	23520	0.48%	B	72.28%
43	SKU 1-52	99	230	22770	0.47%	B	72.75%
44	SKU 1-53	266	79	21014	0.43%	B	73.18%
45	SKU 1-54	350	60	21000	0.43%	B	73.61%
46	SKU 1-55	44	470	20680	0.43%	B	74.04%
47	SKU 1-56	590	35	20650	0.43%	B	74.46%
48	SKU 1-57	560	35	19600	0.40%	B	74.87%
49	SKU 1-58	57	340	19380	0.40%	B	75.27%
50	SKU 1-59	55	350	19250	0.40%	B	75.66%
51	SKU 1-60	156	120	18720	0.39%	B	76.05%
52	SKU 1-61	460	40	18400	0.38%	B	76.43%
53	SKU 1-62	26	695	18070	0.37%	B	76.80%
54	SKU 1-63	510	35	17850	0.37%	B	77.17%
55	SKU 1-64	870	20	17400	0.36%	B	77.52%
56	SKU 1-65	96	180	17280	0.36%	B	77.88%
57	SKU 1-66	311	55	17105	0.35%	B	78.23%
58	SKU 1-67	56	295	16520	0.34%	B	78.57%
59	SKU 1-68	590	28	16520	0.34%	B	78.91%
60	SKU 1-69	97	170	16490	0.34%	B	79.25%
61	SKU 1-70	324	50	16200	0.33%	B	79.58%
62	SKU 1-71	640	25	16000	0.33%	B	79.91%
63	SKU 1-72	119	133	15827	0.33%	B	80.24%
64	SKU 1-73	211	75	15825	0.33%	B	80.56%
65	SKU 1-74	45	350	15750	0.32%	B	80.89%
66	SKU 1-75	444	35	15540	0.32%	B	81.21%
67	SKU 1-76	88	176	15488	0.32%	B	81.53%
68	SKU 1-77	29	525	15225	0.31%	B	81.84%
69	SKU 1-78	36	420	15120	0.31%	B	82.15%
70	SKU 1-79	498	30	14940	0.31%	B	82.46%
71	SKU 1-80	298	50	14900	0.31%	B	82.77%
72	SKU 1-81	211	70	14770	0.30%	B	83.07%
73	SKU 1-82	487	30	14610	0.30%	B	83.37%
74	SKU 1-83	413	35	14455	0.30%	B	83.67%
75	SKU 1-84	96	150	14400	0.30%	B	83.96%
76	SKU 1-85	56	250	14000	0.29%	B	84.25%
77	SKU 1-86	65	215	13975	0.29%	B	84.54%
78	SKU 1-87	65	210	13650	0.28%	B	84.82%
79	SKU 1-88	36	375	13500	0.28%	B	85.10%
80	SKU 1-89	886	15	13290	0.27%	B	85.37%

81	SKU 1-90	55	235	12925	0.27%	B	85.64%
82	SKU 1-91	46	280	12880	0.27%	B	85.90%
83	SKU 1-92	460	28	12880	0.27%	B	86.17%
84	SKU 1-93	611	20	12220	0.25%	B	86.42%
85	SKU 1-94	811	15	12165	0.25%	B	86.67%
86	SKU 1-95	44	275	12100	0.25%	B	86.92%
87	SKU 1-96	200	60	12000	0.25%	B	87.17%
88	SKU 1-97	133	90	11970	0.25%	B	87.41%
89	SKU 1-98	89	130	11570	0.24%	B	87.65%
90	SKU 1-99	289	40	11560	0.24%	B	87.89%
91	SKU 1-100	115	100	11500	0.24%	B	88.13%
92	SKU 1-101	460	25	11500	0.24%	B	88.36%
93	SKU 1-102	35	320	11200	0.23%	B	88.59%
94	SKU 1-103	78	140	10920	0.22%	B	88.82%
95	SKU 1-104	57	190	10830	0.22%	B	89.04%
96	SKU 1-105	530	20	10600	0.22%	B	89.26%
97	SKU 1-106	22	450	9900	0.20%	C	89.46%
98	SKU 1-107	489	20	9780	0.20%	C	89.66%
99	SKU 1-108	160	60	9600	0.20%	C	89.86%
100	SKU 1-109	56	170	9520	0.20%	C	90.06%
101	SKU 1-110	460	20	9200	0.19%	C	90.25%
102	SKU 1-111	36	250	9000	0.19%	C	90.43%
103	SKU 1-112	300	30	9000	0.19%	C	90.62%
104	SKU 1-113	224	40	8960	0.18%	C	90.80%
105	SKU 1-114	10	890	8900	0.18%	C	90.99%
106	SKU 1-115	20	445	8900	0.18%	C	91.17%
107	SKU 1-116	88	100	8800	0.18%	C	91.35%
108	SKU 1-117	430	20	8600	0.18%	C	91.53%
109	SKU 1-118	110	78	8580	0.18%	C	91.70%
110	SKU 1-119	57	146	8322	0.17%	C	91.87%
111	SKU 1-120	57	145	8265	0.17%	C	92.04%
112	SKU 1-121	47	175	8225	0.17%	C	92.21%
113	SKU 1-122	118	68	8024	0.17%	C	92.38%
114	SKU 1-123	100	80	8000	0.16%	C	92.54%
115	SKU 1-124	57	140	7980	0.16%	C	92.71%
116	SKU 1-125	88	90	7920	0.16%	C	92.87%
117	SKU 1-126	65	120	7800	0.16%	C	93.03%
118	SKU 1-127	513	15	7695	0.16%	C	93.19%
119	SKU 1-128	19	400	7600	0.16%	C	93.35%
120	SKU 1-129	76	100	7600	0.16%	C	93.50%
121	SKU 1-130	240	30	7200	0.15%	C	93.65%
122	SKU 1-131	235	30	7050	0.15%	C	93.80%

123	SKU 1-132	176	40	7040	0.14%	C	93.94%
124	SKU 1-133	28	250	7000	0.14%	C	94.09%
125	SKU 1-134	132	50	6600	0.14%	C	94.22%
126	SKU 1-135	260	25	6500	0.13%	C	94.35%
127	SKU 1-136	112	58	6496	0.13%	C	94.49%
128	SKU 1-137	425	15	6375	0.13%	C	94.62%
129	SKU 1-138	82	77	6314	0.13%	C	94.75%
130	SKU 1-139	315	20	6300	0.13%	C	94.88%
131	SKU 1-140	250	25	6250	0.13%	C	95.01%
132	SKU 1-141	96	65	6240	0.13%	C	95.14%
133	SKU 1-142	247	25	6175	0.13%	C	95.26%
134	SKU 1-143	56	110	6160	0.13%	C	95.39%
135	SKU 1-144	17	360	6120	0.13%	C	95.52%
136	SKU 1-145	165	35	5775	0.12%	C	95.64%
137	SKU 1-146	32	180	5760	0.12%	C	95.75%
138	SKU 1-147	377	15	5655	0.12%	C	95.87%
139	SKU 1-148	16	350	5600	0.12%	C	95.99%
140	SKU 1-149	16	350	5600	0.12%	C	96.10%
141	SKU 1-150	123	45	5535	0.11%	C	96.21%
142	SKU 1-151	28	195	5460	0.11%	C	96.33%
143	SKU 1-152	16	340	5440	0.11%	C	96.44%
144	SKU 1-153	11	490	5390	0.11%	C	96.55%
145	SKU 1-154	59	90	5310	0.11%	C	96.66%
146	SKU 1-155	350	15	5250	0.11%	C	96.77%
147	SKU 1-156	11	475	5225	0.11%	C	96.87%
148	SKU 1-157	25	200	5000	0.10%	C	96.98%
149	SKU 1-158	134	35	4690	0.10%	C	97.07%
150	SKU 1-159	76	60	4560	0.09%	C	97.17%
151	SKU 1-160	150	30	4500	0.09%	C	97.26%
152	SKU 1-161	56	80	4480	0.09%	C	97.35%
153	SKU 1-162	112	40	4480	0.09%	C	97.45%
154	SKU 1-163	46	96	4416	0.09%	C	97.54%
155	SKU 1-164	24	180	4320	0.09%	C	97.62%
156	SKU 1-165	24	179	4296	0.09%	C	97.71%
157	SKU 1-166	82	50	4100	0.08%	C	97.80%
158	SKU 1-167	136	30	4080	0.08%	C	97.88%
159	SKU 1-168	116	35	4060	0.08%	C	97.97%
160	SKU 1-169	115	35	4025	0.08%	C	98.05%
161	SKU 1-170	400	10	4000	0.08%	C	98.13%
162	SKU 1-171	51	78	3978	0.08%	C	98.21%
163	SKU 1-172	79	50	3950	0.08%	C	98.29%
164	SKU 1-173	79	50	3950	0.08%	C	98.38%

165	SKU 1-174	24	150	3600	0.07%	C	98.45%
166	SKU 1-175	360	10	3600	0.07%	C	98.52%
167	SKU 1-176	32	110	3520	0.07%	C	98.60%
168	SKU 1-177	54	65	3510	0.07%	C	98.67%
169	SKU 1-178	233	15	3495	0.07%	C	98.74%
170	SKU 1-179	18	185	3330	0.07%	C	98.81%
171	SKU 1-180	35	95	3325	0.07%	C	98.88%
172	SKU 1-181	220	15	3300	0.07%	C	98.94%
173	SKU 1-182	130	25	3250	0.07%	C	99.01%
174	SKU 1-183	24	135	3240	0.07%	C	99.08%
175	SKU 1-184	72	45	3240	0.07%	C	99.14%
176	SKU 1-185	29	110	3190	0.07%	C	99.21%
177	SKU 1-186	621	5	3105	0.06%	C	99.27%
178	SKU 1-187	56	55	3080	0.06%	C	99.34%
179	SKU 1-188	150	20	3000	0.06%	C	99.40%
180	SKU 1-189	42	70	2940	0.06%	C	99.46%
181	SKU 1-190	63	45	2835	0.06%	C	99.52%
182	SKU 1-191	14	200	2800	0.06%	C	99.58%
183	SKU 1-192	76	30	2280	0.05%	C	99.62%
184	SKU 1-193	65	35	2275	0.05%	C	99.67%
185	SKU 1-194	16	140	2240	0.05%	C	99.72%
186	SKU 1-195	21	90	1890	0.04%	C	99.75%
187	SKU 1-196	89	20	1780	0.04%	C	99.79%
188	SKU 1-197	36	30	1080	0.02%	C	99.81%
189	SKU 1-198	34	30	1020	0.02%	C	99.83%
190	SKU 1-199	18	55	990	0.02%	C	99.86%
191	SKU 1-200	49	20	980	0.02%	C	99.88%
192	SKU 1-201	37	25	925	0.02%	C	99.89%
193	SKU 1-202	26	30	780	0.02%	C	99.91%
194	SKU 1-203	25	30	750	0.02%	C	99.93%
195	SKU 1-204	10	75	750	0.02%	C	99.94%
196	SKU 1-205	6	110	660	0.01%	C	99.95%
197	SKU 1-206	13	50	650	0.01%	C	99.97%
198	SKU 1-207	16	40	640	0.01%	C	99.98%
199	SKU 1-208	25	25	625	0.01%	C	99.99%
200	SKU 1-209	11	25	275	0.01%	C	100.00%
	Total	38269	40547	4858472	100.00%		

4.1.2 Findings

ABC Analysis (SKU)			
Category	No. of SKU	SKU	% investment
A	30	SKU (1-10 to 1-39)	64.84%

B	66	SKU (1-40 to 1-105)	23.58%
C	104	SKU (1-106 to 1-209)	10.74%

The ABC analysis has been shown above with each segment presented in the Excel file and the corresponding chart is derived from calculations based on the practical data obtained from the sales list of Unimart LTD, which includes 200 products.

4.2.2.1 A category of SKU

For Unimart Super Shop, 30 SKUs out of 200 products are under A-Category so we have used ABC Classification Analysis: 13 products, according to our stock file these products are categorized in A-Category. The perishables and food products are the highest-ticket items in our catalog. As a result, they need more monitoring because of their high price tag. Particularly, A class represents 64.84% percent of the total investment of the company which is a huge financial cost to keep these premium items, which proves the strong commitment of Unimart Super Shop to have this segment. As we can see the product consists of local and imported items in both perishables & Food sectors which include bakery, grocery, beverages, Pharmacy, Dairy, Fish, Frozen items, fruits meat poultry, and vegetables. According to the 64.84% of investment in A-Category, Unimart sells higher in each outlet. The procurement team mainly analyzes this segment as a profitable one and they always have high priority as it is a necessary item for the customer. So, the items are regularly dispatched and stored in the outlet continuous basis. The procurement team always makes sure there is no shortage of inventory and monitors it. If there is any delay in delivering the items from the supplier end huge loss will be incurred for the company.

4.2.2.2 B category of SKU

In the next segment, 66 items out of 200 SKUs are from B-category. This category, according to our inventory file, is largely comprised of Non-food and Lifestyle items. This sector contains a variety of items; however, the majority relates to both local and imported food products. B category requires only 23.58% of the total investment, while for the A category, the investment necessary is much higher, in percentage. This indicates that the B category may be quite diverse but also requires less financial commitment compared to the high-assets in the A category. The products in the B category include Autocar, home appliances, home decor, personal care, and apparel. This sector may bring a medium range of sales compared to category A but it's important also because customers in the super shop not only buy food items but they are more attracted to toiletries and other sections. So, the manager will store many inventories to attract customers to buy the products since other essentials are important for the customer. Products classified under category B demonstrate strong sales performance, consistently achieving high daily sales figures and maintaining regular order patterns.

4.2.2.3 C category of SKU

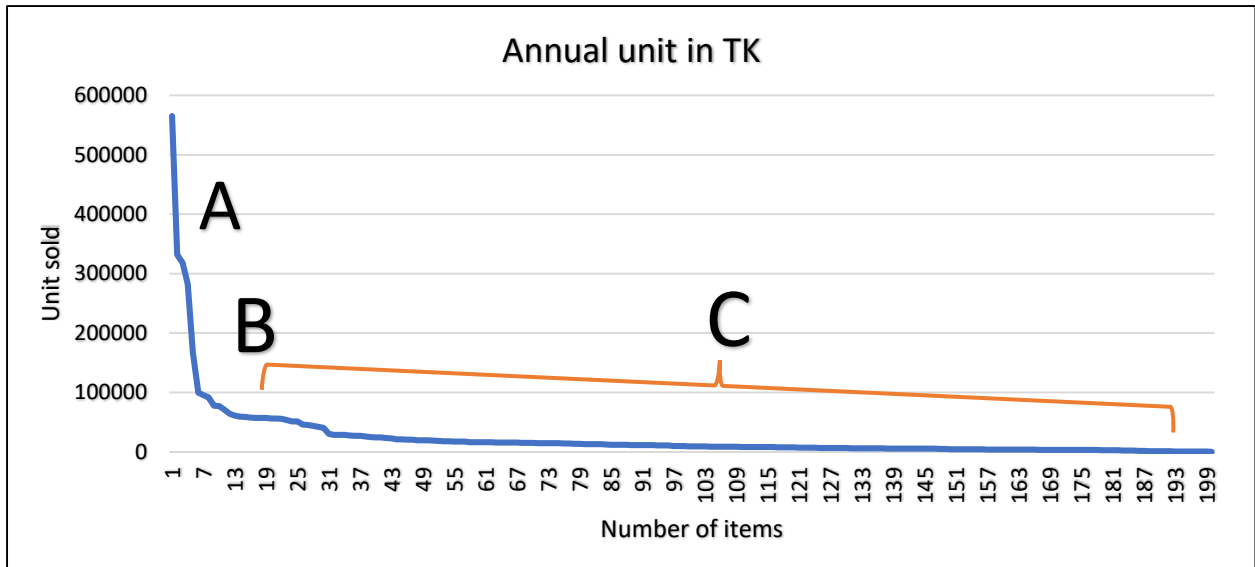
The C category encompasses 104 products out of 200 items in total inventory. This

category is mainly composed of Books, stationery, Toys, and various appliances. Although it contains the widest range of products compared to the A and B categories, these items are generally low-cost. Consequently, the investment required for the C category is minimal, amounting to only 10.74% of the total investment. This reflects the fact that despite having the most diverse selection of products, this category demands the least financial commitment within our ABC classification system. Although this segment needs less priority list in investment as it has a lower sale roughly a month some products are valuable also. So, it needs less supervision but product monitoring is important as the Unimart always ensures good quality so it should not be jeopardized.

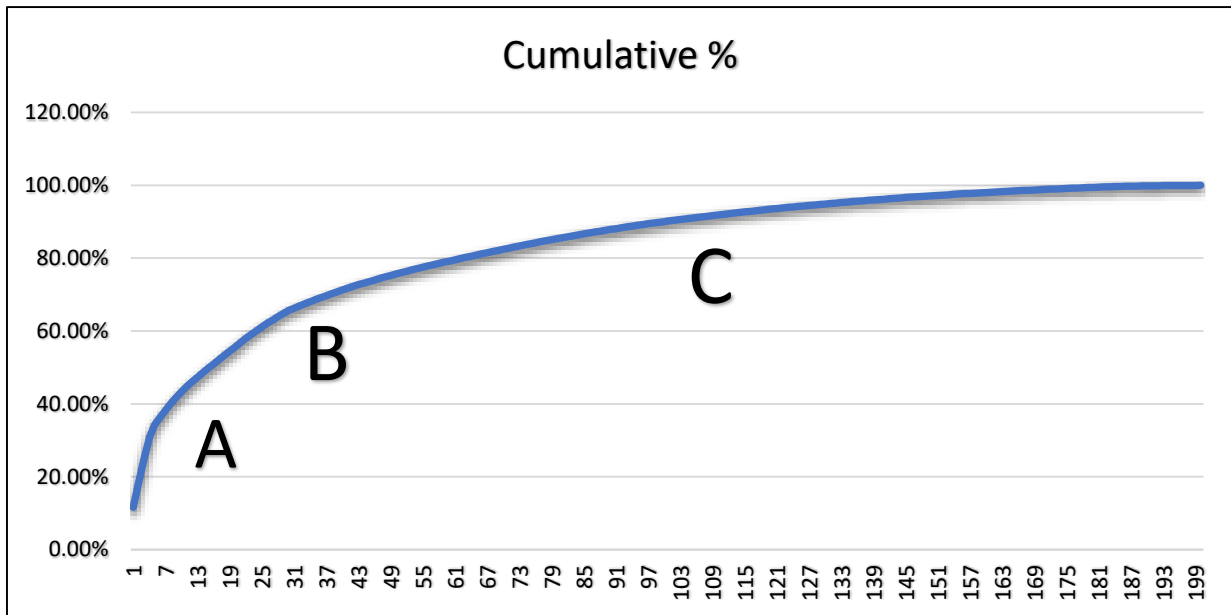
After going through the data, we can highlight what amount of investment is done for a specific portfolio or category by the company and how many products are there in each category. With the total inventory chat, we found out that each percentage amount of investment for every category. As a supply chain sector super super shop business is very complex, we have to analyze is and every product in detail.

4.2.3 Graphs

In the below section, two graphs are being extracted from the Excel sheet which was the ABC analysis calculation from the inventory of Unimart LTD.



The above graphs show Unimart annual units sold in the outlet, the Vertical axis shows the total amount of price for the total number of products sold. The horizontal axis shows the total number of items that are being taken from the inventory. As we can examine in the data Category-A represents the highest value product with higher revenue generation for the company. This segment has been the most prioritized for the investment which converts to profitability one with the range of 650000 tk to 400000tk. The B-category slightly leaps down (40000-10000) tk this is also the customer buys the second most things and the sale is pretty higher but not more than category-A. In the last segment as we can see in the chart the line becomes flattened and the curvature becomes straight as this falls under category C. This sector has the lowest sales with the lowest profit lower than 10000 tk so the manager mainly has lower priority for the higher investment.



Here we are analyzing the cumulative percentage of all the categories of Unimart products. After the calculation and detailed ABC classification, we can evaluate the graph by stating that 65% goes to category-A maintains the position of the maximum investment and highly expensive products that are sold in every outlet. And 66% to 895 falls in Category-B which holds the average investment made by the managers to purchase the product. The rest 90% to 100% are under the C-category with the least investment due to the lower generating revenue.

Chapter-5

5.1 Internship Overview

5.1.1 Internship Experience at Unimart LTD

During my three-month internship at Unimart LTD, a leading super shop retail chain sector, I gained valuable hands-on experience in the procurement department. I have closely worked with the Procurement team which allowed me to understand the complex process involved in retail procurement and contribute to various key functions within the department. After working I have learned how the Supply chain is involved in every decision and process to run the retail chain sector. Below is a detailed account of the tasks and responsibilities I have handled.

1. Excel-Based work:

I have frequently utilized Excel for a variety of tasks that are crucial to maintaining up-to-date and accurate inventory records. My responsibilities included:

- Price change: Regularly updating the pricing of products based on market trends, the supplier gives the price of a particular product price and updates it. So, the outlet will get the information and a new price will be charged to the customer in the outlet.
- New code for the product: New code formation is done for the new product that is to be introduced in the outlet. Assigning new codes to supplier products by making sure the product is good and quality assurance is cleared first before going into the outlet.
- Description and promotional input: Modifying product descriptions to reflect changes in weight, name, size, or any other pertinent details to keep the inventory database accurate. For the promotional activity to increase sales the discount is given to attract customers by offering a buy-1-get-1 or combo pack.

2. Purchase Order (PO) Conversion in ERP system,

One of my primary tasks was to convert purchase requisitions into purchase orders (PO) within the ERP system. This involved:

- The outlet manager creates a Purchase Requisition.
- Verifying requisition details.
- Ensuring that all necessary approvals were in place.
- Generating accurate POs to facilitate timely procurement of goods.

3. Product Meeting.

Participating in product meetings was a regular part of my internship, these meetings involved:

- New sample products are taken (imported and local) items from the suppliers.
- A meeting is scheduled and all the products from different suppliers are placed in front for inspection.
- After quality checking and a suitable price range that can be demanded, the customer will get confirmation.
- Evaluating existing suppliers' performance and later new code is generated when the products get a green signal.

4. New Supplier Enlistment Documentation.

- When new suppliers are enlisted meetings are arranged and the sample products are checked.
- Assessing their credibility and product quality.
- Unimart business policies are briefed.
- Legal Documentation is done with the new supplier code and product list.

5. Working on Product Label Branding (PLB) on Spices.

One of the more creative aspects of my internship involved working on Product Label Branding, especially for spices. This task included:

- Surveyed different spices products and created new ideas for the spices.
- Worked with the procurement team to source the raw materials.
- Collaborated with the marketing to design attractive and informative packaging
- Ensuring quality assurance with the raw materials.
- Coordinating with the suppliers to ensure timely and accurate label production.

6. Inventory Management.

- Checking whether all the outlets of the products are in tacked or not and whether suppliers are delivering the product accurately or not.

7. Documentation:

- Preparing and maintaining all the procurement activities to ensure transparency and accountability.

Conclusion

Unimart is a Hypermarket for the customer with a big outlet that is established in different locations where everything can be found under one roof. The company has served the customer for over 10 years. Unimart is trying their best to achieve their goals, mission and vision. It is a unique approach to the supper shop theme has changed the whole scenario of the retail chain sector. There are several departments that work cross-functionally to accomplish the company's vision. Unimart has fulfilled all the commitments that they have made to the customer with good quality products in the market and better service they have given to become a well-known brand in the market.

My internship at Unimart LTD was an enriching experience that provided me with a deep understanding of the procurement processes within the retail sector. The skills and knowledge I gained during this period have equipped me with a strong foundation in procurement, which I am excited to build upon in my future career. I felt so honored to work in this company and learn from such a dynamic and professional team.

Recommendation

After working at Unimart I got a lot of experience and since working very closely with the procurement department I have suggested some recommendations after facing a few problems in my work.

1. Unimart should upgrade the server system which creates a problem in the work. PO conversion and working on the data might get difficult to work on.
2. Ensuring streamlined ERP and SAP integration might reduce manual data entry errors which may cause data accuracy and faster decision making.
3. Enhance product quality checking will result in customer satisfaction and gain trust in the Unimart brand.
4. Conduct regular training sessions for the procurement team on the latest trends, tools, and best practices.
5. A supply chain system should be developed by dividing different departments to work efficiently since local companies don't follow the actual supply chain system so all the tasks are done by one department which creates pressure.
6. The inventory department must ensure diligent monitoring with a focus on high-priority tasks.
7. Communication channels should be streamlined with the suppliers by ensuring the products are delivered to the outlets on time.

unimart

10 Years of
Delightful
Experience

Date: May 28, 2024

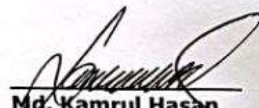
TO WHOM IT MAY CONCERN

This is to certify that **Mr. Hossain Bin Islam Rohit**, currently pursuing his Bachelor of Business Administration (BBA) in Supply Chain Management from the **United International University**, has successfully completed his Internship in the **Procurement** Department of **Unimart Limited**, a concern of **United Group**. His internship period was from **January 15, 2024**, to **April 15, 2024**. His job location was at the Unimart Office, Gulshan-2, Dhaka-1212, Bangladesh.

During his internship with us, Mr. Rohit actively participated in various activities under the supervision of **Mr. Md. Faijullah Rashid Shimul**, Manager, Procurement department. Throughout his tenure, he demonstrated sincerity, hard work, and a results-oriented approach. He effectively collaborated with his colleagues and proved to be a valuable team member.

We extend our best wishes to Mr. Hossain Bin Islam Rohit for every success in his future career endeavors.

Sincerely



Md. Kamrul Hasan
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