

**AN ANALYSIS ON INVENTORY MANAGEMENT AT WHIRLPOOL OF INDIA
LIMITED**

DISSERTATION PROJECT REPORT

Submitted by

PARIVARTAN KUMAR

2K12/MBA/43

Under the Guidance of

Dr. ARCHANA SINGH

ASSISTANT PROFESSOR



DELHI SCHOOL OF MANAGEMENT

Delhi Technological University

Bawana Road Delhi-110042

April-may: 2014

Certificate from the Institute

This is to certify that the Project Report titled “**AN ANALYSIS ON INVENTORY MANAGEMENT AT WHIRLPOOL OF INDIA LIMITED**” is a bonafide work carried out by **Mr. Parivartan Kumar** of MBA 2012-14 and submitted to Delhi School Of Management, Delhi Technological University, Bawana Road, Delhi-42 in partial fulfillment of the requirement for the award of the Degree Of Masters of Business Administration.

Signature of Project Guide

Signature of Head (DSM)

Place:

Date:

Declaration

I, **Parivartan Kumar**, student of MBA 2012-14 of Delhi School of Management, Delhi Technological University, Bawana Road, Delhi-42 declare that Dissertation Report on “**AN ANALYSIS ON INVENTORY MANAGEMENT AT WHIRLPOOL OF INDIA LIMITED**” submitted in partial fulfillment of Degree of Masters of Business Administration is the original work conducted by me.

The information and data given in the report is authentic to the best of my knowledge.

This report is not being submitted to any other University for award of any other Degree, Diploma and Fellowship.

ACKNOWLEDGEMENT

I take this opportunity to express my profound gratitude and deep regards to my faculty guide Dr. Archana Singh (Assistant Professor at Delhi School of Management, DTU) for their constant guidance, monitoring and encouragement throughout the course of this project & internship. I express my thanks to our Prof. P.K. Suri for extending his support.

I would also like to thank all of the industry experts for sparing their time to make this report possible.

Lastly, I thank almighty, my parents, and friends for their constant encouragement and support throughout my Project.

Parivartan Kumar

MBA 2012-14

Delhi School of Management

Delhi Technological University

ABSTRACT

Every organization needs inventory for smooth running of its activities. It serves as a link between production and distribution processes. The investment in inventories constitutes the most significant part of current assets/working capital in most of the undertakings. Thus, it is very essential to have proper control and management of inventories. The purpose of inventory management is to ensure availability of materials in sufficient quantity as and when required and also to minimize investment in inventories. Raw materials, goods in process and finished goods all represent various forms of inventory. Each type represents money tied up until the inventory leaves the company as purchased products. Because of the large size of the inventories maintained by firms, a considerable amount of funds is required to be committed to them. It is therefore absolutely imperative to manage inventories efficiently and effectively in order to avoid unnecessary investments. A firm neglecting the management of inventories will be jeopardizing its long run profitability and may fail ultimately. The reduction in excessive inventories carries a favorable impact on the company's profitability.

The study starts with an introduction to inventory management, Company's profile, its Vision & Mission, Achievements and also the need for study, review of literature and objectives are set out for the study. Research methodology, Data analysis & Interpretation, Findings and Suggestions of the study follow.

One of the main areas of the project is the analysis part, where the data are analyzed & interpreted, to find out how the inventories were managed. Some of the tools used in inventory are regarding to:

- Economic Order Quantity
- Safety Stock
- ABC Analysis
- FSN Analysis
- Trend Analysis and
- Inventory Turnover Ratio.

And then conclusions, limitations & scope for further study were discussed.

CONTENTS

CHAPTER	TITLES	PAGE NO.
I	Introduction	1
	Profile of the company	2
	Need for the study	10
II	Review of literature	11
III	Objectives of the study	21
IV	Research methodology	22
V	Data analysis and interpretation	24
VI	Findings of the study,	38
	Suggestion and recommendations	39
VII	Conclusion	40
VIII	Limitations of the study	41
IX	Bibliography	42

LIST OF TABLES

TABLE NO.	NAME OF THE TABLE	PAGE NO.
5.1.1	Economic order quantity	24
5.2.1	Safety stock	27
5.3.1	ABC Analysis	31
5.4.1	FSN Analysis	34
5.5.1	Calculation of inventory trend	35
5.5.2	Inventories percentage	36

LIST OF CHARTS

CHART NO.	NAME OF THE CHART	PAGE NO.
5.3.1	ABC Analysis	31
5.4.1	FSN Analysis	34
5.5.2	Trend of inventory	37