

Internship Report on Business Plan of Amar Food (Sister Concern of Daffodil Group)



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Submitted To:

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Letter of Transmittal

November 10, 2022

Ms. Farhana Noor
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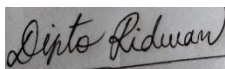
Subject: **Submission of Internship Report**

Respected Ma'am,

With great pleasure, I am presenting my internship report on the topic "**Business Plan of Amar Food, sister concern of Daffodil Group**". While preparing this report, I have followed your instructions and guidelines. This report has been completed by my experiences and ideas. I express my special gratitude to you for dedicating your valuable time, expert guidance, and support. I have tried my best to complete the report appropriately as much as possible. I tried to gather information on primary and secondary sources.

I therefore, request you to accept this report and give me proper suggestions to work in my professional life and I pray and hope that the mistakes the report may have will be kindly excused.

Yours Sincerely,

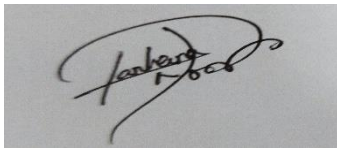


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Certificate of Approval

This is to certify that Dipto Ridwan; ID: 191-11-6055 is a regular student of Department of Business Administration, Daffodil International University. He has completed his internship at Amar Food (Sister Concern of Daffodil Group) and he has prepared his internship report under my supervision. His assigned topic is “Business Plan of Amar Food”. The information presented in this internship report appears to be authentic. Thus, the internship report has been accepted for presentation in the internship defense.

I wish him all progress in life.

A handwritten signature in black ink, appearing to read 'Farhana Noor', is written over a light grey rectangular background.

Ms. Farhana Noor

Assistant Professor
Department of Business Administration
Faculty of Business & Entrepreneurship
Daffodil International University

Acknowledgment

Firstly, I would like to express my gratitude to Almighty Allah for enabling me to complete this report on “Business Plan of Amar Food, sister concern of Daffodil Group”. To complete a project successfully requires helps from a number of persons. I have also taken help for the preparation of this report. Now, there is a little effort to show my deepest gratitude to those helpful people.

I would like to express my gratitude & respect to my honorable supervisor Ms. Farhana Noor, Assistant Professor, Department of Business Administration, Faculty of Business and Entrepreneurship, Daffodil International University for his guidance, advice, & every possible help in the overall preparation of this report.

I'm grateful to all the senior Amar Food employees that made it possible for me to acquire practical experience. In addition, this internship program has taught me the value of teamwork and provided a fresh perspective on the type of workplace that constantly tests us.

Executive Summary

In this report, I have described the Business Plan of Amar Food, sister concern of Daffodil Group. I've also discussed some of the issues they can resolve for the better. They can increase the worth of the company as a whole by making these enhancements.

This report was created using the three months of experience I had working at Amar Food. I'm learning about the real-world corporate environment through this internship program. Amar Food is one of the companies seeing tremendous growth. Amar Food established in 2021. This company today employs over 100 people, which ensures their ongoing security and welfare. Due to its productive environment and highly engaged team, Amar Food has one of the highest rates of employee turnover. Amar Food emphasizes the need of equal job opportunities. This report was created using my experience and observations.

Table of Content

Sections	Details	Page No
Formal section	Letter of Transmittal	iii
	Certificate of Approval	iv
	Acknowledgment	V
	Executive Summary	vi
Introduction	1.1 Introduction	2
	1.2 Objectives of the report	2
	1.3 Background of the report	2
	1.4 Methodology	3
	1.5 Limitations	3
About Amar Food	2.1 About Company	5
	A. Mission	5
	B. Vision	5
	C. Core Values	5
	2.2 Business Model	5
	2.3 Business Description	5
	2.4 Forms of Business	6
	2.5 Management summary (Organogram)	6
	2.6 Management background	6
	2.7 Management Responsibility	7
2.8 Personnel plan/ Human resources	8	
Production Plan	3.1 Description of the Product	10
	3.2 Production Plan	10
	3.3 Product Sourcing Plan	10
	3.4 Competitive Advantage	11

Sections	Details	Page No
	3.5 Distribution strategy- Distribution Channel	11
Marketing & Selling Plan	4.1 Market Research and Analysis	13
	• Industry Overview	13
	• Major Competitors	13
	4.2 Target Market	14
	• Location	14
	• Main customers (Initially)	14
	• Total demand: Demand forecast	15
	4.3 Sales Strategy - Sales forecast	16
	4.4 Selling Price/ Pricing Strategy	17
4.5 Compare with competitors price	17	
Promotional strategy	5.1 Logo and Motto Development	19
	5.2 Webpage	19
	5.3 Social Media Pages	19
	5.4 Promotional Plan	19
	5.5 Promotional Budget	20
Financial Plan	6.1 Source Fund of	22
	6.2 Income Statement	22-23
Conclusion	7.1 Findings	25
	7.2 Recommendations	25
	7.3 Conclusion	26

Chapter: 01

Introduction



1.1 Introduction

Amar Foods initially started its business with a selected items and gradually grab the opportunity to expand its product line to capture the market share in confectionery, grocery area. Amar Foods will go for in house production and also go with the third party supply management. Amar Foods has adopted a strategy to penetrate target market predominantly by Business-to-Customer (B2C) and Business-to-Business (B2B) model for gaining a rapid traction before getting into a full-swing competition. Amar Foods will use the direct channel initially for the existing market our Daffodil Family. Amar Food will also focus on the retail channel with huge emphasis to grab the market as much as possible. After two years Amar Foods may consider to use this channel.

1.2 Objectives of the report

Broad Objective :

- To evaluate the overall business plan of Amar Food, sister concern of Daffodil Group.

Specific Objective:

- To analysis the production plan of Amar Food
- To study the financial plan of Amar Food
- To assess the marketing plan & promotional strategy of Amar Food
- To find out some problems of the business plan of Amar Food

1.3 Background of the report

In the background of our research, we've analyzed everything we can about Amar Food, sister concern of Daffodil Group starting with their website, social media accounts, news releases, and any other pertinent publicly accessible information.

I've also interviewed Md. Kamruzzaman Didar, COO of Amar Food, to find out more about the business and how they've been able to be successful. Their growth strategy, operational financial budget, and so on. In order to acquire a thorough understanding of how Amar Food functions, we have also looked into every part of the company, including the finances, marketing plans, operational plans, consumer targeting, expansion plans, and growth inhibitors

1.4 Methodology

I used a variety of methods to gather the data for this study, including an interview with the company's COO, a review of financial documents, and an analysis of the company's website and social media material.

I also checked a variety of additional websites to verify key facts about the company. Finally, I interviewed a number of employees who were familiar with the operations of the company. Using a variety of methodologies, I was able to create a thorough report that completely captures the company's current situation and promise for the future.

1.5 Limitations

While going through the documents, I've come across a number of problems. Some of these problems may be seen as weaknesses in my research. Lack of Information: Despite being able to get a lot of the company's current operational and financial information, I haven't been able to get a comprehensive picture of the entire organization.

This is because the business is still new, thus all the information is liable to change. Changes could lead to inaccurate data. Data that is acquired from several sources as a result is likewise hazy. Lack of Experience: I'm still learning about the many business techniques, thus I was unable to fully understand some of the methods used by experts. That could lead to murky explanations in my research.

Chapter: 02

About Amar Food



2.1 About Company

A. Mission

Amar Foods aims to be a cornerstone in the community creating a neighborhood atmosphere where customers feel comfortable and become instant regulars.

B. Vision

Amar Foods aims to become the market leader at providing healthy food through innovation and at a cost effective rate in Bangladesh.

C. Core Values

The following core values drive our operations, products and team:

- Health priority
- Quality
- Excellent service delivery
- Trustworthiness
- Professionalism
- Innovation

2.2 Business Model

Amar Foods has adopted a strategy to penetrate target market predominantly by Business-to-Customer (B2C) and Business-to-Business (B2B) model for gaining a rapid traction before getting into a full-swing competition.

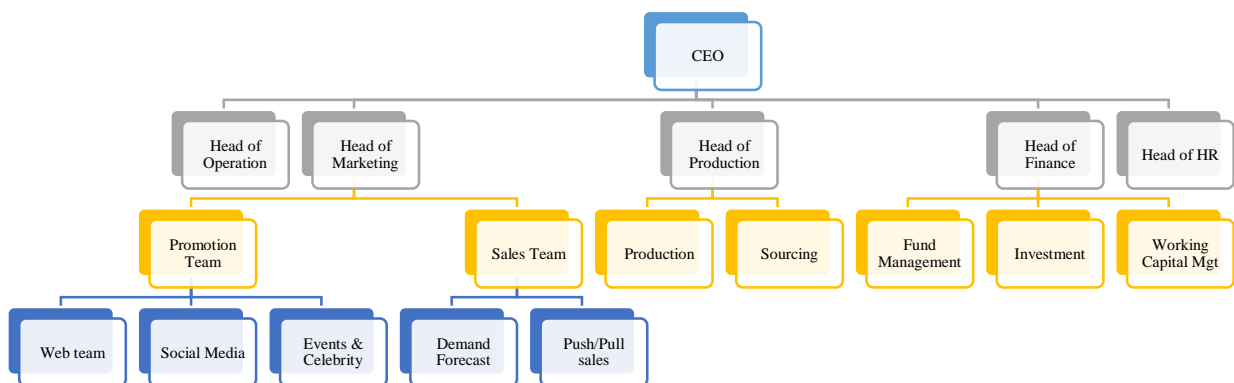
2.3 Business description

Amar Foods initially started its business with a selected items and gradually grab the opportunity to expand its product line to capture the market share in confectionery, grocery area. Amar Foods will go for in house production and also go with the third party supply management.

2.4 Forms of Business

Amar Foods is register as a private limited company and took registration from the Registrar of Joint Stock Companies and Firms.

2.5 Management summary (Organogram)



2.6 Management background

Roles	Background
CEO	At least 5/7 years' experience in Food Industry in top management position
Head of Operation	Must know the overall operation of a Food Business
Head of Marketing & sub teams	Must have good experience in marketing, promotion, and sales.
Head of Production & sub teams	Must have a good supply chain, production management, vendors, and supplier's management.
Head of Finance & sub teams	Must have good experience in funding management, investment, working capital management, and financial statements analysis and preparation.
Head of HR	Must have good experience in HR planning, recruitment and appraisal system.

2.7 Management Responsibility

Roles	Background
CEO	<ul style="list-style-type: none"> ● Building a work culture ● Creating, communicating, and implementing the organization’s vision, mission, and overall direction ● Setting up the strategies in the organization ● Evaluating the results of the organization ● Preparing annual operating plans as per the directions set by the Board of Directors ● Submitting the operating plans for approval ● Setting up long term & Short term goals for the organization ● Stay informed about the current trends related to products & services offered by the organization ● Managing marketing opportunities for the organization
Head of Operation	<ul style="list-style-type: none"> ● Responsible for the daily coordination, improvement and execution of all food manufacturing operations; overseeing production, planning, quality control and maintenance.
Head of Marketing & sub-teams	<ul style="list-style-type: none"> ● Crafting strategies for all Marketing teams, including Digital, Advertising, Communications and Creative. ● Preparing and managing monthly, quarterly and annual budgets for the Marketing department. ● Setting, monitoring and reporting on team goals.
Head of Production & sub-teams	<ul style="list-style-type: none"> ● Oversee the hiring and training food production personnel ● Monitor every aspect of production to ensure compliance with established procedures and standards ● Develop and promote new food products to boost sales and increase generated returns ● Prepare periodic reports to update upper management on food production activities

Head of Finance & sub teams	<ul style="list-style-type: none"> ● Creating forecasting models, assessing risk in investments and ensuring all accounting activities comply with regulations.
Head of HR	<ul style="list-style-type: none"> ● Formulating personnel systems and strategies appropriate to the company's corporate mission and goals. Recruiting and selecting staff. Developing remuneration and reward procedures.

2.8 Personnel plan/ Human resources

- After starting the operation, top management will hire the required no of employees to operate the business.
- After that HR head will be responsible for planning, recruitment and appraisal system.

Chapter: 03

Production Plan



3.1 Description of the Product

Product Name	Sources
Ghee	Sourcing by F.A Taskia
Mustard Oil	
Turmeric powder	
Chili Powder	
Coriander Powder	
Flour Bakery quality	
Thai Dry Fruits	
Production by Amar Foods	
Biscuit	Production by Amar Foods
Cake	
Cookies	
Toast	
Bread/Bun	
Chanachur	
Snacks	

3.2 Production Plan

Product Name	Factory
Biscuit	Amar Foods has production factory at Daffodil Smart City, Ashulia with full setup.
Cake	
Cookies	
Toast	
Bread/Bun	
Chanachur	
Snacks	

3.3 Product Sourcing Plan

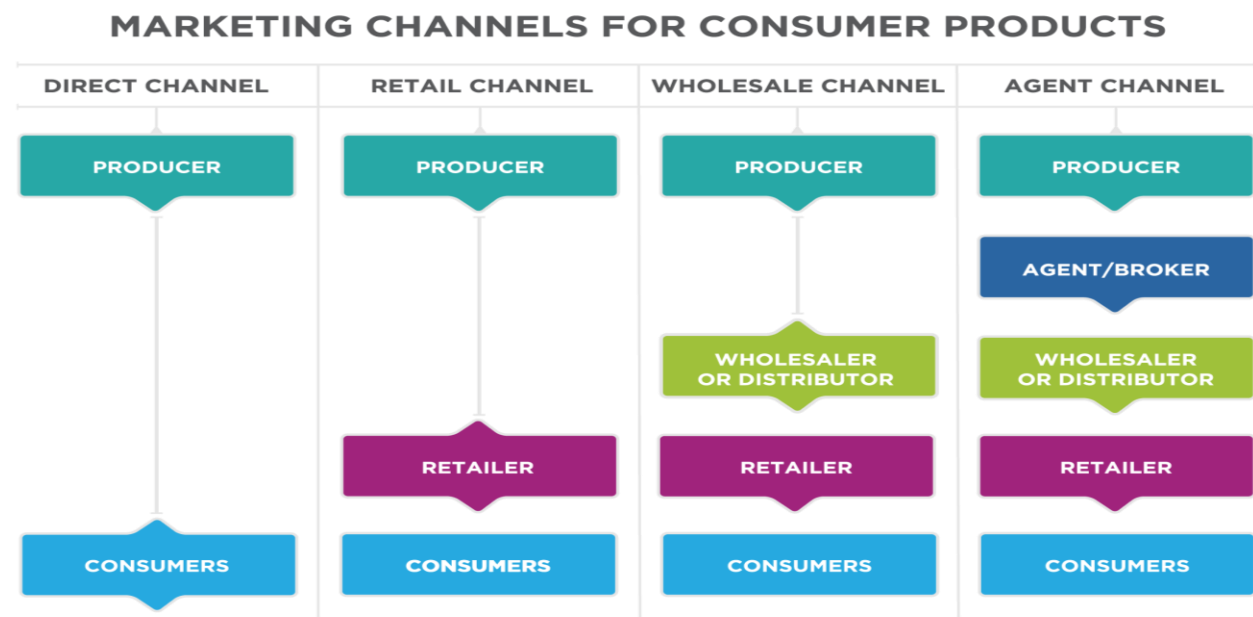
Product Name	Sources
Ghee	Initially F.A Taskia will source the selected Items and gradually other items will be added.
Mustard Oil	
Turmeric powder	
Chili Powder	
Coriander Powder	
Flour Bakery quality	
Thai Dry Fruits	

3.4 Competitive Advantage

Here’s the list of our selected items with competitive pricing.

SL	Product Name	Weight	Qty	Purchase Price	TP	MRP
1	Ghee	900 gm	1	900	950	1200
2	Mustard Oil	1 Litter	1	180	200	230
3	Turmeric powder	1 kg	1	320	330	350
4	Chili powder	1 kg	1	350	360	370
5	Coriander Powder	1 kg	1	140	150	160
6	Flour Bakery quality	1 kg	1	35	40	50
7	Thai Dry Fruits	1 kg	1	800	900	1100-1300

3.5 Distribution Strategy: Distribution Channel



- **Direct Channel:** Amar Foods will use the direct channel initially for the existing market our Daffodil Family
- **Retail Channel:** Amar Foods will also focus on the retail channel with huge emphasis to grab the market as much as possible.
- **Wholesale channel:** After one/two year Amar Foods may consider to use this channel.

Chapter: 04

Marketing & Selling Plan



4.1 Market Research and Analysis

i) Industry Overview:

FMCGs industry is one of the fastest-growing segments of the market. The population of Bangladesh was 166.85 million as of October 2021 (www.worldometers.info). This large population of the country makes the FMCGs industry very prospective. With the considerable growth of GDP, private consumption growth has also increased over the years.

Moreover, According to the Bangladesh Bureau of Statistics (BBS), consumption expenditure was 98.2% of average monthly household income (national) in 2020 where it was 96% in 2010 and 78% in 2005. Consumption expenditure was 93% of average monthly household income (Urban) in 2020 compared to 79% in 2010 and 74% in 2005. From this historical trend, we can see that the consumption expenditure as % of total income has increased significantly over the periods both in urban and rural areas.

Food industry in Bangladesh represents one of the major potential sectors within the industrial segments in terms of contribution to value addition and employment. The sector accounts for over 22% of all manufacturing production and employs about 20% of labor forces.

ii) Major Competitors

As Amar Foods is going to the new in the market and initially will come up with selected product, there will be huge competitors in the market. Amar Foods will follow a very focus strategy to establish its brand. After a certain period (1 year at least), Amar Foods may go for massive expansion based on the success experience.

Right now there are lot of big giants in the market such as Pran, ACI, City Group, MGI, Haque, Olympic, Golden Harvest, Well Food, Meena and many others.

But Amar Foods needs a focus strategy and target market to go for a good entry into the market.

4.2 Target Market

i) Location

Timeframe	Location
Initial Stage [1 st 6 Months]	Daffodil Smart City, Gulshan, Banani, Coxbazar, Uttara, Jamuna future park, Dhanmondi **Also try to expand outside of Dhaka using different network.
2 nd Stage [2 nd 6 Months]	Existing location + Mirpur, Mohammadpur, Shyamoli **Also try to expand outside of Dhaka using different network.
3 rd Stage [Next 6 to 12 Months]	Try to cover Dhaka City **Also try to expand outside of Dhaka using different network.

ii) Main customers (Initially)

Stage	Target Customers
Initial Stages (6 to 12 months)	Restaurant (All types)
	Hotel
	Resorts
	Community center
	Supper shops (Meena Bazar, Agora, Shwapno, other supershops)
	Online Market Places (chaldal.com and others)
	Hospital
	Local shops
	Biscuit Factory & Bakery
	Corporate Office
	Daffodil Family

iii) Total demand: Demand forecast

We may forecast demand based on different methods and units/quantity of each items. Nut here, I am going forecast demand based on the items-

Types	Product Name	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Sourcing	Ghee (KG)	200	260	338	439	571	743
	Mustard Oil (KG)	200	260	338	439	571	743
	Turmeric powder (KG)	200	260	338	439	571	743
	Chili Powder (KG)	200	260	338	439	571	743
	Coriander Powder (KG)	100	130	169	220	286	371
	Flour Bakery quality (KG)	500	700	980	1372	1921	2689
	Thai Dry Fruits (KG)	50	60	72	86	104	124
Production	Biscuit (KG)	300	390	507	659	857	1114
	Cake (piece)	500	700	980	1372	1921	2689
	Cookies (KG)	200	280	392	549	768	1076
	Toast (KG)	400	560	784	1098	1537	2151
	Bread/Bun (piece)	500	700	980	1372	1921	2689
	Chanachur (KG)	50	60	72	86	104	124
	Water (Litre)	1500	2100	2940	4116	5762	8067

4.3 Sales Strategy

Sales Forecast

Types	Product Name	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Sourcing	Ghee (KG)	210000	273000	354900	461370	599781	779715
	Mustard Oil (KG)	40000	52000	67600	87880	114244	148517
	Turmeric powder (KG)	66000	85800	111540	145002	188503	245053
	Chili Powder (KG)	72000	93600	121680	158184	205639	267331
	Coriander Powder (KG)	15000	19500	25350	32955	42842	55694
	Flour Bakery quality (KG)	20000	28000	39200	54880	76832	107565
	Thai Dry Fruits (KG)	45000	54000	64800	77760	93312	111974
Production	Biscuit (KG)	60000	78000	101400	131820	171366	222776
	Cake (piece)	50000	70000	98000	137200	192080	268912
	Cookies (KG)	44000	61600	86240	120736	169030	236643
	Toast (KG)	16000	22400	31360	43904	61466	86052
	Bread/Bun (piece)	37500	52500	73500	102900	144060	201684
	Chanachur (KG)	5000	6000	7200	8640	10368	12442
	Water (Litre)	37500	52500	73500	102900	144060	201684
	Total Sales (Per Month)	7,18,000	9,48,900	12,56,270	16,66,131	22,13,582	29,46,042

Types	Product Name	Price Per KG/Piece/Litre
Sourcing	Ghee (KG)	1050
	Mustard Oil (KG)	200
	Turmeric powder (KG)	330
	Chili Powder (KG)	360
	Coriander Powder (KG)	150
	Flour Bakery quality (KG)	40
	Thai Dry Fruits (KG)	900
Production	Biscuit (KG)	200
	Cake (piece)	100
	Cookies (KG)	220
	Toast (KG)	40
	Bread/Bun (piece)	75
	Chanachur (KG)	100
	Water (Litre)	25

4.4 Selling Price/ Pricing Strategy

Cost-plus Method: Amar Foods will follow the cost-plus method initially. We will follow the cost leadership strategy.

Cost leadership strategy: Increasing profits by reducing costs, while charging industry-average prices. Increasing market share by charging lower prices, while still making a reasonable profit on each sale because you've reduced costs.

4.5 Compare with competitors price

SL	Product Name	Weight	Qty	Purchase Price	Amar Foods Price	Competitors price
1	Ghee	900 gm	1	900	950	1200
2	Mustard Oil	1 Litter	1	180	200	230
3	Turmeric powder	1 kg	1	320	330	350
4	Chili powder	1 kg	1	350	360	370
5	Coriander Powder	1 kg	1	140	150	160
6	Flour Bakery quality	1 kg	1	35	40	50
7	Thai Dry Fruits	1 kg	1	800	900	1100-1300

Chapter: 05

Promotional Strategy



5.1 Logo and Motto Development: We need to develop a Logo and Motto for Amar Foods

5.2 Webpage: Need to update or modify our existing webpage (<https://www.amarfoods.com/>)

5.3 Social Media Pages:

Facebook	https://www.facebook.com/amarfood.organic/
Instagram	https://www.instagram.com/amarfoods.organic/?igshid=2hagqiw39iu3
LinkedIn	https://www.linkedin.com/company/amarfood/

5.4 Promotional Plan

Channel	Details
Social Media Promotion	Promo Video (regularly)
	Regular Engagement with the audience
	Create a community
	National & International day wise content
	Boosting Posts
	Chatbots
	Content Development for different social media (FB, Insta, LinkedIn, tiktok etc).
Event Based Promotion	Sponsorship in different events (University & colleges)
	Sponsorship in corporate events
Celebrity/Corporate Icons Endorsement	Gift Hamper send to Celebrity/Corporate Icons
Offer strategy	Come up with different offer

5.5 Promotional Budget

Channel	Details	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Social Media Promotion	Promo Video (regularly)	20000	24000	28800	34560	41472	49766
	Regular Engagement with audience	10000	12000	14400	17280	20736	24883
	Create a community	0					
	National & International day wise content	10000	12000	14400	17280	20736	24883
	Boosting Posts	50000	65000	84500	109850	142805	185647
	Chatbots	0					
	Content Development for different social media (FB, Insta, LinkedIn, tiktok etc).	50000	65000	84500	109850	142805	185647
Event Based Promotion	Sponsorship in different events (University & colleges)	100000	125000	156250	195313	244141	305176
	Sponsorship in corporate events	100000	120000	144000	172800	207360	248832
Celebrity/Corporate Icons Endorsement	Gift Hamper send to Celebrity/Corporate Icons	0	100000	100000	0	0	200000
Total Promotional Budget Per Month		340000	523000	626850	656933	820055	1224834

Chapter: 06

Financial Plan



6.1 Sources of Fund

Source	Debt	Equity
Owner's Fund		1400000
Venture Capital	900000	
Other's	200000	
Total Capital	1100000	1400000
% of Debt & Equity	44%	56%

6.2 Income Statement

Amar Foods						
Income Statement						
For the Month Ended Jan 2022 to June 2022						
Particulars	Jan-22	Feb-22	Mar-22	Apr-22	May-22	June-22
Sales	718000	948900	1256270	1666131	2213582	2946042
(-) Cost of Goods Sold	359000	474450	628135	833065.5	1106791	1473021
Gross Profit	359000	474450	628135	833066	1106791	1473021
Operating Expenses						
(-) General & Administrative Expenses	160000	186000	223800	273940	317122	384259
Salaries	30000	50000	80000	120000	150000	200000
Depreciation	40000	40000	40000	40000	40000	40000
Rent	20000	26000	33800	43940	57122	74259
Electricity Bill	50000	50000	50000	50000	50000	50000
Internal Bill	10000	10000	10000	10000	10000	10000
Securities Expenses	10000	10000	10000	10000	10000	10000
(-) Selling Expenses	340000	363000	492100	328970	475749	735179.3
Promotional Expenses	340000	363000	492100	328970	475749	735179
Sales Campaign expense						
Total Operating Expenses	500000	549000	715900	602910	792871	1119438

Operating Profit	-141000	-74550	-87765	230156	313920	353583
(-) Interest	30000	30000	30000	30000	30000	30000
Profit before Tax	-171000	-104550	-117765	200156	283920	323583
(-) Tax	0	0	0	0	0	0
Profit after Tax (or Net Income)	-171000	-104550	-117765	200156	283920	323583

Chapter: 07

Findings, Recommendations & Conclusion



7.1 Findings of the Report

- Amar Food does not have proper production set up for all products.
- Amar Food does not have any celebrity endorsement & less print media access.
- Amar Food has huge competitors in the market
- Amar Food does not have specific target customer.
- Amar Food took loan from BVCL & they have to share a fixed amount of profit.
- Amar Food does not have any offer based promotional strategy.

7.2 Recommendations of the Report

- Amar food should focus on Celebrity endorsement & Print media promotion as well as the other promotional plans.
- Amar Food should focus on making proper production set up for all products because a few products source from other industry.
- Amar Food has to follow a very focus strategy to establish its brand. After a certain period (2 year at least), Amar Foods may go for massive expansion based on the success experience.
- Amar Food should have specific target customer because it helps Amar Food to identify their right audience.
- Amar Food can take loan from Bank instead of BVLC, with a low interest than BVCL.
- Amar food can start offer based promotional strategy to increase their sell.

7.3 Conclusion

It has been a great experience for me to get an opportunity to complete internship at Amar Food, sister concern of Daffodil Group. Amar Food is such an organization where everything is organized. The corporate culture that I have learned from Amar Food is one of the biggest achievement in my life.

Along with the academic knowledge I gained from my undergrad courses, getting real-world work experience from Amar Food. I have seen a lot of crucial tasks that must be completed on a daily basis. For instance, office management, marketing strategy, promotional strategy etc. I have gained a lot of knowledge that I can use in both my personal and professional life. There is a possibility to become the market leader in near future in Bangladesh.