© May 2026 | IJIRT | Volume 12 Issue 12 | ISSN: 2349-6002

A Study on Procurement Process of Raw Materials and Production Planning at Cocoa Rich Agri LLP, Ganjimutt

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***Abstract*—Cocoa Rich Agri LLP in Ganjimutt has its way of buying things. They get materials from a lot of vendors and pick the best one based on how much it costs how much it costs to transport how good it is and if it is safe to eat. The company uses a method to keep track of what they have in stock, which is called First in First Out. This means they use the stuff before it goes bad and throw away less. Cocoa Rich Agri LLP also really focuses on selling their products to countries. They go to trade fairs. Show their products on the internet. They make their products how the customers want them and what people in other countries, like.**

The study finds that good procurement practices, inventory management, production planning and export marketing help improve the company's efficiency, productivity and profitability.

***Index Terms*—Procurement Process, Vendor Evaluation, FIFO Method, Inventory Management, Production Planning, Cocoa Products, Export Marketing**.

I. INTRODUCTION

The food processing industry is important for a country's growth. The cocoa products industry is growing due to increasing demand for cocoa-based products. To meet customer expectations and international quality standards cocoa manufacturing companies must have procurement systems, inventory management, production planning and marketing strategies. Procurement is a function in manufacturing organizations. A systematic procurement process helps select vendors compare prices maintain quality standards and ensure timely supply of materials. Inventory management is also crucial in food processing industries. The company uses the FIFO method to ensure older stock is used first. This method helps reduce waste maintain freshness and improve stock management.

Production planning improves manufacturing efficiency by ensuring production takes place at the time and in the right quantity. The company follows a batch- production system with fixed hourly targets.

The study focuses on procurement, inventory management, production planning and marketing practices of Cocoa Rich Agri LLP.

A. Objectives of The Study

- To study the sources and procurement process of materials and different cocoa products produced and marketed by the organization.
- To study the production planning and its impact on the efficiency of the company.

B. Need for the Study

The study helps understand the procurement process, vendor evaluation, quality assurance and food safety standards. It also highlights the role of the FIFO inventory management system in reducing waste and maintaining product freshness and quality.

II. REVIEW OF LITERATURE

Christopher S Tang et al. (2023) Studied procurement and supply chain efficiency in food manufacturing industries.

Alicia Garcia Torres (2024) examined the impact of production planning and inventory control on manufacturing performance.

III. RESEARCH METHODOLOGY

The research is based on data collected from the factory manager and marketing manager.

IV. THE PROCUREMENT PROCESS OF RAW MATERIALS AND COCOA PRODUCTS

The company starts the procurement process of materials and cocoa products by looking for vendors who can supply what we need. They have to make sure these vendors meet our requirements for quality and safety. The procurement department does. Looks at past records to find good vendors. They want to be fair and transparent when they buy materials. So, they get quotes from least four different vendors for every purchase. This helps them know what the market price is and makes sure they do not pay much. They also do not want to depend on one vendor.

When they get quotes from vendors they compare them. Rank them. The vendor with the price is ranked first. They do not just choose the vendor with the lowest price. They look at things too.

One thing they check is if the vendor includes the cost of transporting the materials to our premises. This cost affects how much they pay in total. They also need the vendor to give us a Certificate of Analysis. This confirms that the raw materials meet their quality standards.

If the vendor with the price meets all their conditions they give them the order. If they do not, they look at the vendor. This way they make sure they get quality raw materials control our costs and follow the rules. The FIFO Method Used by the Company. They mainly use the FIFO method to manage their inventory. This means they use the materials that come in first before the ones that come in later. This is very important in the food industry because it helps keep our materials fresh and safe.

Using the FIFO method means they use the stock before the new stock. This helps our production run smoothly. It also stops our materials from getting damaged or spoiled. For example, sugar and salt can absorb moisture if they are stored for long.

They also use the FIFO method for packaging materials, like bottles and carton boxes. This stops them from getting dusty or damaged. They can plan their production schedule better. Avoid last-minute problems. The FIFO method also helps them to manage their inventory better. They can keep track of their stock. Avoid wasting materials. This helps company work efficiently and make more profit.

Marketing Exposure of Different Products

The company gets marketing exposure by taking part in trade fairs that happen in February and March. At these trade fairs the company meets buyers from Africa, Latin America and the Gulf countries. The company talks to these buyers directly. The company also goes to trade fairs like the Delhi Aahaar Trade Fair to meet customers. At this trade fair the company makes business relationships with these customers. This helps the company's export business.

The company does not just rely on trade fairs. It also promotes its products on its website. Since the company mainly sells products to countries its website is very important. The website tells people about the company's products. Helps attract international buyers.

The company makes products according to what the customers want. The company considers things, like quality and packaging when making products. The company wants to make sure its customers are happy. This approach helps the company sell products to other countries. The company's export business does well because it listens to its customers. The company makes products that meet the needs of its customers. This is why the company's Marketing Exposure of Different Products is successful.

V. PRODUCTION PLANNING AND ITS IMPACT ON EFFICIENCY

Production planning is really important for our company. It is all about planning what we need to do of time so we can make our products in the right amount at the right time and use our resources in the best way possible.

Production planning is something we take seriously. We plan everything out in advance. Use a system where we work in batches. The packing section is divided into 8 batches. Our employees work at different times. For example, one batch might work from 8:45 to 9:15. Then another batch works from 9:15 to 9:45.

This way of working is really good because it helps us get everything done smoothly without any interruptions. It also means that the packing area is not too crowded and our workers are not confused about what they need to do. Since everyone is not working at the time we can use our space more effectively.

Each batch has a target to meet every hour. Our workers need to pack 100 carton boxes per hour. Each carton weighs 4.8 kg. This helps our workers know what they need to do and focus on meeting their targets.
The target system also helps our supervisors keep an eye on how our workers doing and make sure they are meeting their targets. If a batch is not meeting its target our supervisors can figure out what is going wrong and fix the problem away.
Production planning also helps us use our resources in the way possible. We get the materials we need when we need them so we do not run out or have too much. Our machines are used right, not too much or too little and our workers are spread out evenly across the batches. This reduces stress. Helps our workers get more done. Time management is another benefit of production planning. Since each batch works according to a schedule, we can avoid delays. Meet our daily production targets. This means we can get our products to our customers on time which makes them happy and helps our company's reputation.
Our batch production system also helps different departments work together smoothly. When we plan out our production schedule other departments can plan their work around it.
For example, the procurement department can get the packing materials we need ahead of time and the dispatch department can get ready to send out our products based on what we have planned to produce.
Production planning also helps create a disciplined work environment. Our workers know what they need to do. When they need to do it so they can focus on their work without interruptions. This helps our workers feel better about their jobs work together as a team and coordinate with each other effectively.
Overall production planning is really important, for our company. It helps us get more done maintain quality use our resources in the way possible control costs and get our products to our customers on time.

Overall Efficiency of Production Planning
1. Better Utilization of Resources
Production planning helps our company use materials, machines and labor in the best way possible without wasting anything. Our batch system ensures that we use our resources systematically and efficiently. We get the materials we need when we need them and our machines are used just right.

2. Proper Time Management
Our staggered timing system helps us keep working throughout the day without interruptions. Since our workers follow a schedule and have targets, we can avoid delays and keep our production activities running smoothly.

3. Increased Productivity
Our target-based system motivates our workers to get their tasks done on time. Since we are always monitoring their performance, our workers try to work efficiently. This directly increases our productivity and output.

4. Cost Control and Reduction of Wastage
Planning our production helps us avoid expenses and minimize waste. We do not make much or too little of something and we can avoid overtime and storage costs. Using our resources efficiently lowers our production costs. Helps our company's financial situation.

5. Better Coordination and Supervision
Production planning helps our departments work together smoothly. Since we plan everything out in advance our departments can work together efficiently. Our supervisors can also keep an eye on how each batch's doing and fix any problems that come up.

6. Improved Quality and Customer Satisfaction
When we plan our production activities our workers can focus on maintaining our quality standards. With supervision and less confusion, we can avoid mistakes when we are packing our products. This means our customers get quality products on time which makes them happy and helps our company's reputation.

VI. FINDINGS OF THE STUDY

- The company follows a systematic and transparent procurement process by collecting quotations from multiple vendors before selecting suppliers.
- Vendor selection is based not only on price but also on transportation cost, quality standards, food safety compliance, and submission of Certificate of Analysis (COA).

- The FIFO inventory management method helps the company reduce wastage, maintain freshness of raw materials, and improve inventory control.
- Participation in international trade fairs and online promotion helps the company increase export marketing exposure and attract international buyers.
- The batch-wise production planning system with fixed hourly targets improves productivity, proper utilization of resources, and workflow efficiency.
- Effective coordination between procurement, production, quality control, and dispatch departments contributes to better operational efficiency and timely delivery of products.

VII. SUGGESTIONS

- The company can strengthen supplier relationships by developing long-term partnerships with reliable vendors.
- Advanced digital inventory management systems can be adopted to improve stock monitoring and reduce manual errors.
- The company can expand its domestic marketing activities along with export promotion to increase market reach.
- The company can adopt advanced production technologies and automation systems to increase production speed and reduce operational costs.

VIII. CONCLUSION

The study shows that Cocoa Rich Agri LLP has a system for buying things managing stock planning what to make and selling products. This system helps the company work well. The way they buy things is fair. They can control costs. They make sure they get quality materials on time by choosing the right suppliers.

The company uses a method to manage their stock. They use the things they got first before the things they got later. This helps keep everything good quality. It also means they do not waste things and they do not lose money because of storage problems. The study also found that the company plans their work well. They make things in batches. They have targets, for each hour. This helps them work better use their resources well and manage their time. Cocoa Rich Agri LLP sells things to countries. They go to trade fairs. They promote their products online. This helps them get to know their customers and more people know about their products. The company also thinks about what their customers want when they make things. This makes their customers happy. It helps the company have a good reputation.

The study also shows that it is important for different parts of the company to work together. The people who buy things make things check the quality and send things out need to talk to each other. If they do this the company works smoothly.

Overall, Cocoa Rich Agri LLP does things in a way. This means they can make things keep the quality high spend less money and the company works better. Cocoa Rich Agri LLP follows these management practices and it helps them.

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