



## CASE STUDY OF BAKELITE FOOD PROCESSING Pvt. Ltd.

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### ABSTRACT

*A successful entrepreneur, Mr. Sachin S. Malpani has established 'Malpani Food Industries' in 1999 with 2 labours including him and 2 machines under the brand name of 'Maharaja Gold'. Later on in the year 2010, the proprietorship business was converted into Private Limited Company namely 'Bakelite Food Processing Pvt. Ltd.' At present, company's turnover is Rs. 15 Cr with 250+ employee strength. Currently company has 45+ products mainly different types of Kharis, Toasts, Butters, Cream Rolls, Cookies, Biscuits, Breads, Donuts, Cakes etc. Now company has expansion plan to sell 'Ready to Eat' and 'Ready to Cook' Frozen Foods. This case study is deals with the Marketing Plan and Marketing Strategy and its probable success.*

**Keywords:** Turnaround Management, Calculated Risk, Expansion, Frozen Food.

### Text of the case

Mr. Sachin S. Malpani is one of the successful entrepreneurs in Pune, India, who has established Bakelite Food Processing Pvt. Ltd. He has born and brought up in Pune, India. He feels, he is lucky to born in one of the reputed family in Pune. He has completed his schooling from Ramanbaug HighSchool, Marathi Medium School and B.Com.from S.P.College, Pune. He started his career in early age when he was in 12<sup>th</sup> standard. His first earning was from MaheshSahakari Bank (MSB).He started pigmy collection for MSB on weekly basis to meet his college expenses. He was earning around Rs.3000 per month in 1993 which was quiet good amount at that time.Then next year in F.Y.B. Com.,he hadjoinedhis uncle's 4 wheeler automobile spare parts shop for gaining experience. He was getting Rs. 1200 per month as a part timer.

With this short experience he had started wholesale trading in automobile spare parts. This was his first venture. But somehow he lost interest in automobile and then with the help of his friend he started to trade in imported products like perfume, belts, cord less telephones, food products like imported chewing gums and chocolates, imported cigars and lighters so on and so forth as per shopkeepers demand.

At that time, he used to travel from Pune to Mumbai and back twice a week. After completing B. Com. in 1995, he joined his father's shop of wholesale confectionery but again it was mismatching with his dreams. He wanted to do something in manufacturing and started to look for an opportunity for the same. He started supply of printed polythene bags and rolls and getting job work done from Pune, Mumbai, Diu and Daman. His customers were cloth merchant and some industries. But he realized that he was not hardcore sales person and payment vasuliwala.

Polyethylene business was going on but he wasn't enjoying it at all. One client did not give payment when he needed it most and that was the turning point of his life. He realized the value of brand and closed all his business and started to find his passion where he will enjoy doing that and he realized that 'Food' is his passion. He realized that Bakery Sector was unorganized and lacks hygiene and the said business was concentrated only in the hands of selected community. No educated people were involved in this and the birth of 'Malpani Food Industries' took place in 70 sq. ft. Harihar Mandir's Kitchen with 2 labours including him and 2 machines in 1999. Asset was sheer 'will power' to produce extra ordinary products. Strength was self-confidence backed up by blessings of family members and friends. Output was merely 5 – 10 kg of cookies per day and selling was under the brand name of '*Maharaja Gold*'.

Thought of expanding the business came in mind in the year 2003. Need arose to expand the business due to demand of product and finally shifted facility in new area admeasuring 1000 sq.ft. At initial stage, funds provided by friends, family members and banks. After that never looked back, and every year the business went on growing at the rate of 60% p.a. Brand name was also changed as 'Bake-lite.'

Changing name as 'Bake-lite' was decided because bake means 'cook and make edible by putting in a hot oven' or 'broil' or 'grill'. The company's main production range was baked items. The company's terminology is baking a 'little' so that to make product tastier, crunchy and fluffy. The proprietorship business was converted in Private Ltd. Company in 2010.

## About “Bakelite”

“Bakelite Food Processing Pvt. Ltd.” a renowned name in bakery products is situated in Pune district of Maharashtra, India. Mr. Malpani expanded the business in 2010 since demand of the products increased gradually. After so many struggle business shifted to a new facility of 30,000 sq.ft.inNarhe industrial area, Pune. Business grew at a rate of 20% per year. After immense study of market, brand name was changed to “Bake-lite”.

Company considers it their duty to follow norms of production and processes so that they can give customers healthy and quality products. Their employees are committed to maintain quality and taste as it is their culture to use only the best, pure and fresh ingredients for preparation of finished products.

The Purpose of the company is –

‘Toserve people Quality, Delicious, Hygienically processed food products in an Effective and Innovative way’.

The Core Valuesof the company are –

‘Pure Vegetarian Product Only’,

‘Individual Dignity & Harmony at all Level’,

‘Excellence in Product’and ‘Continual Self Improvement’ and

‘Individual Accountability towards Company’s Goal’.

Company is not competing with any one,rather wants to follow own path. Company follows the policy of 4Ps i.e. Product –must be Excellent and Innovative, People – Happy People inside (Employees) and outside (Customers), Policy – Policy for each work and Profit – Reasonable Profit which led to increased amount of sales volume.

The Distribution Network of the Company is over 200 Distributors in Maharashtra, Karnataka, Hyderabad, Rajasthan, Chennai and Singapore. Company’s Outlets are at Pune Satara Road and company’s products are also available at Grahak Peth, Tilak Road, Pune, India. At present company is at growing stage in Product Life Cycle.

For Branding, company is participating in different Events,Exhibitions like Sakal Shopping Festival etc.Companyhas also adopted different styles of marketing. Company wants to be the trend setter in the society. To stand confidently in the market and increase market share, company is conducting market research and changing the product range continuously according to the needs and requirements of the customers.

Another important point is company is not taking any help from outsiders for innovations of the products.Company’s manufacturing strengths are sincere and loyal artisans, latest

manufacturing methodology, continuous innovations, 'customer first' policy, state of the art machinery, adoption of international standards like HACCPISO, GMP, BRC etc.

Company is not facing problems in case of raw materials. There is a problem of workers i.e. scarcity of skilled workers. Most of the workers are outside Maharashtra and they are irregular. The attrition rate in case of workers is around 40% p.a. In case of second line of employees, generally, there is no problem of attrition. As far as recruitment is concerned, company generally adopted the policy of references through friends, family members and its employees. If suitable candidates are not identified through references, then company opts for an Advertisement and Employment Agency. Training to its employees and workers is provided periodically. The owner of the company is also attending workshops, seminars, conferences and exhibitions regularly for updating the knowledge and recent developments. Performance appraisal is carried out on regular basis and adequate increments and promotions are given to employees.

The distribution channel of the company is Super Stockiest → Distributor → Retailer → Consumer. Apart from this separate Marketing Team and Quality Checking System are in place. August to November is off season where as December to March is considered to be a peak season.

Company is also involved and conducting several activities under Corporate Social Responsibility mainly in Education Sector and others and also received several awards. There is no compromise with its core values at any cost is the main strength of the company.

Presently, there are 45+ products consistent with Texture, Volume, Flavour, Appearance, Releasing and Freshness maintained successfully. It has got turnover of Rs. 15 Cr with 250+ employee strength. The company wants to become a leading Food Processing Company in India with future plans to sell 'Ready to Eat' and 'Ready to Cook' Frozen Foods.

## Questions

- Q.1 Carry out SWOT Analysis in points.
- Q.2 In current scenario, how company should expand its existing business? Innovative, Original and Creative expansion ideas are welcome.
- Q.3 Suggest suitable Marketing Plan and Marketing Strategy for new products i.e. 'Frozen Food'.
- Q.4 What would be the probability to get success in launching new 'Frozen Food' products?

## References

1. Structured interview with non-disguised questionnaire.
2. [www.malpanifoods.com](http://www.malpanifoods.com)