



A Study on Supply Chain Management in Fmcg Industey at Marico

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Abstract – Supply Chain Management (SCM) plays a vital role in the Fast-Moving Consumer Goods (FMCG) industry, where products must reach customers quickly, efficiently, and at low cost. This study focuses on the supply chain management practices followed by Marico Limited, one of India's leading FMCG companies known for brands such as Parachute, Saffola, Hair & Care, Livon, Set Wet, and Nihar Naturals. Marico has built an extensive supply chain network that includes procurement, manufacturing, warehousing, transportation, distribution, and retail operations across India and international markets. The main objective of this study is to understand how Marico manages the flow of raw materials, production, inventory, and product distribution to ensure timely delivery and customer satisfaction. The study also examines the company's use of modern technologies, demand forecasting, supplier relationship management, and digital solutions to improve supply chain efficiency. Marico has increasingly invested in analytics, digital planning, responsible sourcing, and agile distribution to improve responsiveness and resilience. The research highlights that an effective supply chain helps Marico reduce operational costs, improve inventory management, maintain product quality, and respond quickly to changing consumer demand. The company has also strengthened sustainable sourcing, supplier partnerships, and traceability, making its supply chain more reliable and environmentally responsible. The distribution network of Marico is one of its major strengths. The company serves millions of consumers through a large network of distributors, wholesalers, retailers, supermarkets, and online platforms. Effective transportation and logistics systems enable the company to deliver products quickly and efficiently across urban and rural markets. Warehousing facilities are strategically located to reduce transportation costs and improve delivery speed. Technology plays a significant role in Marico's supply chain operations. The company uses Enterprise Resource Planning (ERP) systems, supply chain analytics, automation, and digital tracking systems to monitor product movement and improve decision-making. These technologies help increase visibility, enhance operational efficiency, and reduce delays in the supply chain. The study also highlights the challenges faced by Marico, including fluctuations in raw material prices, changing consumer preferences, transportation disruptions, and increasing competition in the FMCG industry. To overcome these challenges, the company continuously improves its supply chain processes through innovation, supplier collaboration, risk management, and sustainability initiatives.

Keywords - Marico's supply chain management integrates efficient procurement, manufacturing, inventory control, warehousing, logistics, and technology to ensure timely product delivery, reduce costs, improve customer satisfaction, and maintain a competitive advantage in the FMCG

I. INTRODUCTION

Supply Chain Management (SCM) is one of the most important functions in the Fast-Moving Consumer Goods (FMCG) industry. It involves the planning, coordination, and management of activities such as procurement, production, inventory management, transportation, warehousing, and distribution of products. An effective supply chain ensures that products reach customers at the right time, in the right quantity, and at the lowest possible cost.

The FMCG industry is characterized by high consumer demand, rapid product movement, and intense market competition. Therefore, companies must maintain an efficient supply chain to ensure product availability, customer satisfaction, and business profitability. A well-managed supply chain helps organizations reduce operational costs, improve productivity, and respond quickly to changing market conditions.

Marico Limited is one of India's leading FMCG companies, known for its popular brands such as Parachute, Saffola, Hair & Care, Livon, Set Wet, Nihar Naturals, and Beardo. The company has established a strong supply chain network that connects suppliers,

manufacturing units, warehouses, distributors, retailers, and consumers across domestic and international markets.

This study aims to examine the supply chain management practices followed by Marico and understand how the company manages the flow of materials, information, and products throughout its supply chain. The study also explores the role of technology, inventory management, logistics, and distribution in enhancing operational efficiency and customer satisfaction. By analyzing Marico's supply chain system, the study provides insights into the importance of effective supply chain management in achieving sustainable growth and competitive advantage in the FMCG industry.

supply chain management contributes to business success in the FMCG sector. The findings will help understand the role of SCM in improving operational performance, reducing costs, enhancing customer satisfaction, and achieving competitive advantage. Furthermore, the study highlights the significance of innovation, digital transformation, and sustainability in modern supply chain management.

In conclusion, supply chain management serves as the backbone of FMCG companies like Marico. An efficient and responsive supply chain enables the company to meet



customer expectations, maintain product availability, improve profitability, and sustain long-term growth. As competition in the FMCG industry continues to increase, effective supply chain management will remain a key factor in determining organizational success.

Marico has developed a strong distribution network that covers urban, semi-urban, and rural markets. Through a large network of distributors, wholesalers, retailers, supermarkets, and e-commerce platforms, the company ensures that its products are readily available to consumers. The ability to reach customers across diverse geographical regions is a significant factor contributing to Marico's market leadership.

Technology has transformed supply chain management in modern organizations, and Marico has embraced digital transformation to improve its operations. The company utilizes ERP systems, automation technologies, real-time tracking systems, and data analytics to enhance visibility and efficiency across the supply chain. These technologies enable faster decision-making, improved forecasting, reduced operational costs, and better customer service.

In addition to operational efficiency, Marico places strong emphasis on sustainability and responsible business practices. The company actively works towards reducing environmental impact through sustainable sourcing, energy conservation, waste reduction, and eco-friendly packaging initiatives. Sustainable supply chain practices help Marico achieve long-term business growth while fulfilling its social and environmental responsibilities.

II. REVIEW OF LITERATURE

Chopra and Meindl (2019), Supply Chain Management (SCM) is the coordination of all activities involved in sourcing, procurement, conversion, and logistics management. They emphasized that an efficient supply chain improves customer satisfaction while reducing operational costs. Their study highlights the importance of integrating suppliers, manufacturers, distributors, and retailers to achieve competitive advantage.

Lambert and Cooper (2000) explained that supply chain management involves managing relationships among suppliers, manufacturers, distributors, and customers. Their research indicated that collaboration and information sharing among supply chain partners improve efficiency and reduce uncertainties in business operations.

Mentzer et al. (2001) identified supply chain management as a strategic process that integrates business functions across organizations. Their study found that effective SCM contributes to improved organizational performance, cost reduction, and increased customer satisfaction.

Lee (2004) discussed the importance of agility, adaptability, and alignment in supply chain management.

The study concluded that organizations must develop flexible supply chains to respond to market fluctuations and competitive pressures. These principles are highly relevant to FMCG companies where demand patterns change frequently.

Christopher (2016) stated that supply chain management is a network of organizations involved in delivering products and services to end customers. The author emphasized that customer value and responsiveness are key elements of a successful supply chain. Organizations that effectively manage their supply chains can respond quickly to market changes and consumer demands.

Sharma and Gupta (2015) examined the role of information technology in supply chain management. Their findings indicated that technologies such as ERP systems, RFID, cloud computing, and data analytics improve visibility, coordination, and decision-making across the supply chain.

Kumar and Singh (2012) on FMCG companies in India revealed that inventory management and distribution efficiency are critical factors influencing supply chain performance. The study found that companies with strong distribution networks achieve higher market penetration and customer satisfaction.

Agarwal, Shankar, and Tiwari (2007) studied supply chain performance in the FMCG sector and observed that demand forecasting, inventory control, and logistics management significantly influence organizational success. Their findings highlighted the importance of technology and information systems in improving supply chain efficiency.

Need of the Study

The FMCG industry operates in a highly competitive environment where products must be delivered to customers quickly and efficiently. An effective supply chain is essential for ensuring product availability, reducing operational costs, maintaining quality standards, and achieving customer satisfaction. Therefore, understanding and analyzing supply chain management practices has become increasingly important for organizations operating in this sector.

Marico Limited, being one of the leading FMCG companies in India, manages a vast network of suppliers, manufacturing units, warehouses, distributors, and retailers. Studying its supply chain management system helps in understanding how the company coordinates these activities to achieve operational efficiency and maintain a competitive advantage in the market.

The need for this study arises from the importance of identifying the factors that contribute to successful supply chain operations in the FMCG industry. The study helps evaluate procurement processes, inventory management,



logistics, warehousing, and distribution practices followed by Marico. It also examines the role of technology and innovation in improving supply chain performance.

companies, such as demand fluctuations, rising logistics costs, supply disruptions, and changing consumer preferences. Understanding how Marico addresses these challenges can help identify best practices and strategies for effective supply chain management.

Scope of the Study

The scope of this study is limited to analyzing the supply chain management practices followed by Marico Limited in the FMCG industry. The study focuses on understanding the various components of the supply chain, including procurement of raw materials, production processes, inventory management, warehousing, transportation, logistics, and distribution activities.

The study examines how Marico manages the flow of materials, information, and products from suppliers to end consumers. It also evaluates the role of technology, demand forecasting, supplier relationship management, and inventory control in improving supply chain efficiency and operational performance.

The research covers the strategies adopted by Marico to ensure timely product availability, cost reduction, customer satisfaction, and business growth. It also identifies the challenges faced by the company in managing its supply chain and the measures taken to overcome them.

Furthermore, the study provides insights into the importance of supply chain management in the FMCG sector and highlights best practices that contribute to organizational success. The findings of the study may be useful for students, researchers, and business professionals interested in understanding supply chain operations in the FMCG industry.

However, the study is confined to the supply chain management practices of Marico Limited and does not include a comparative analysis with other FMCG companies. The conclusions are based on the available data and information collected during the study period.

Objectives of the Study

- To study and analyze the supply chain management practices followed by Marico Limited in the FMCG industry.
- To study the strategies adopted by Marico for cost reduction and operational efficiency.
- To examine the production and manufacturing activities within the supply chain
- To evaluate the distribution network and product delivery system.
- To identify the challenges faced in managing the supply chain

III. RESEARCH METHODOLOGY

Research Design: Descriptive and analytical research design was adopted for the study.

- Type Of Data: The study is based on secondary data.
- Where Data Came From: Primary data refers to the information collected directly from the respondents for the purpose of the study. The primary data may be collected through:
 - Questionnaires
 - Interviews with employees and managers
 - Personal discussions and observations
 - Surveys conducted within the organization
- Time Frame: The study was conducted over a period of 3 months, from January 2026 to March 2026. During this period, data was collected, analyzed, and interpreted to understand the supply chain management practices followed by Marico Limited.
- Tools And Method: Percentage Analysis
- Tables
- Bar Charts
- Pie Charts
- Graphical Representation
- Statistical Interpretation
- Ranking Method
- Tabulation and Classification of Data
- Graphical Representation of Data
- Benchmarking Analysis
- Descriptive Statistical Analysis

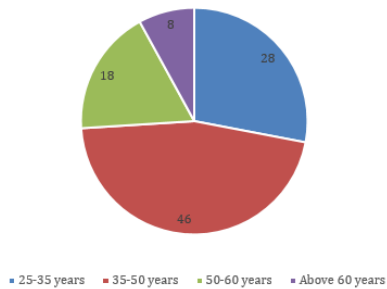
Limitations of the Study

- The study is limited to the supply chain management practices of Marico Limited only and does not include other FMCG companies.
- The study is based on the information collected during a specific period and may not reflect future changes in supply chain operations.
- Limited access to confidential company data and internal records may affect the depth of the analysis.
- The accuracy of the findings depends on the reliability of the data collected from primary and secondary sources.
- Time constraints restricted the study to selected aspects of supply chain management.

IV. DATA ANALYSIS AND INTERPRETATION

Q1: Age Group Distribution

Age Group	Count	Percentage
25-35 years	28	28%
35-50 years	46	46%
50-60 years	18	18%
Above 60 years	8	8%

**AGE GROUP DISTRIBUTION**

Age distribution analysis reveals that 46 percent of respondents belong to 35-50 years category representing majority experienced professionals in mid-career phase with substantial organizational knowledge. 28 percent of respondents aged 25-35 years represent younger workforce bringing contemporary technology perspectives and digital adoption enthusiasm. 18 percent aged 50-60 years represent senior staff with long experience, while 8 percent above 60 years represent near-retirement employees with substantial organizational institutional knowledge. The age composition demonstrates balanced workforce spanning different career stages enabling diverse perspectives on supply chain operations and strategic direction.

Q2: Gender Composition

Gender	Count	Percentage
Male	65	65%
Female	35	35%

Gender composition analysis shows 65 percent male and 35 percent female respondents reflecting FMCG sector gender dynamics where supply chain functions traditionally show male dominance. The female representation of 35 percent demonstrates growing inclusivity in supply chain profession and organizational commitment to gender diversity. This gender mix provides diverse perspectives on organizational operations and work culture, though the male dominance suggests opportunity for further gender diversity improvement through targeted recruitment and development initiatives supporting inclusive workplace.

Q3: Departmental Distribution

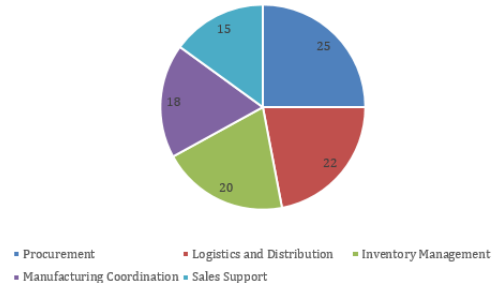
Department	Count	Percentage
Procurement	25	25%
Logistics and Distribution	22	22%
Inventory Management	20	20%
Manufacturing	18	18%

Coordination

Sales Support

15

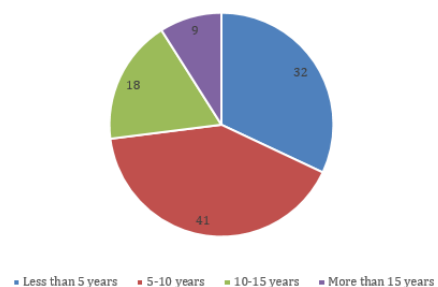
15%

DEPARTMENTAL DISTRIBUTION

Department distribution reflects Marico's supply chain functional areas with balanced representation enabling comprehensive organizational perspective. Procurement represents 25 percent reflecting supplier management importance in supply chain strategy. Logistics and Distribution at 22 percent represents operational delivery capability. Inventory Management at 20 percent addresses working capital management critical function. Manufacturing Coordination at 18 percent addresses production planning and execution. Sales Support at 15 percent represents demand-side perspective. The balanced distribution across functions ensures that research findings represent integrated supply chain perspective rather than single functional viewpoint.

Q4: Years of Experience in Supply Chain

Experience Level	Count	Percentage
Less than 5 years	32	32%
5-10 years	41	41%
10-15 years	18	18%
More than 15 years	9	9%

YEARS OF EXPERIENCE IN SUPPLY CHAIN

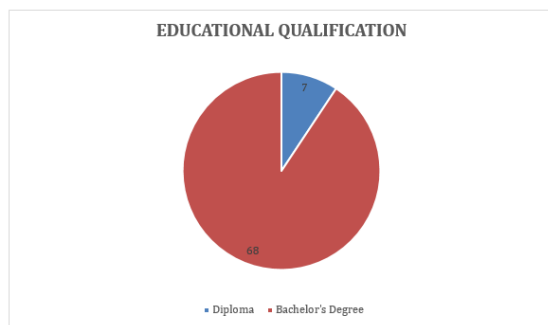
Experience analysis reveals that 41 percent of respondents possess 5-10 years experience representing experienced



professionals with substantive supply chain knowledge. 32 percent with less than 5 years experience represent relatively junior staff bringing fresh perspectives. 18 percent with 10-15 years experience represent senior professionals with deep organizational knowledge. 9 percent with more than 15 years represent very senior employees with extensive supply chain expertise. The experience distribution is weighted toward 5-10 years band indicating workforce in stabilized phase balancing experience with energy and contemporary knowledge enabling sustained operational excellence.

Q5: Educational Qualification

Qualification	Count	Percentage
Diploma	7	7%
Bachelor's Degree	68	68%
Master's Degree	25	25%



Educational qualification analysis shows 68 percent of respondents hold bachelor's degrees reflecting professional workforce with formal tertiary education foundation. 25 percent hold master's degrees indicating substantive advanced education and professional development commitment. 7 percent hold diplomas representing vocationally trained professionals. The predominance of bachelor's and master's degree holders (93 percent combined) reflects Marico's highly educated workforce capable of understanding sophisticated supply chain concepts and contributing to strategic transformation. The high educational attainment suggests organizational capability to adopt advanced technologies and implement complex supply chain improvements.

Q6: Supplier Quality Standards

Response	Count	Percentage
Strongly Agree	32	32%
Agree	36	36%
Neutral	18	18%
Disagree	10	10%
Strongly Disagree	4	4%

The data reveals that 68 percent of respondents agree that suppliers consistently meet quality standards demonstrating moderately effective quality assurance practices. However, 14 percent disagree suggesting quality inconsistencies in certain supplier relationships. The moderate agreement indicates quality management requires strengthening through enhanced monitoring and supplier development initiatives.

Summary of Findings

The study on Supply Chain Management in the FMCG Industry at Marico Limited has revealed the following findings:

- Marico has established an effective and well-organized supply chain management system that supports smooth business operations.
- The company maintains strong relationships with suppliers, ensuring the timely procurement of quality raw materials.
- Efficient inventory management practices help Marico maintain optimum stock levels and minimize stock shortages and excess inventory.
- The warehousing system is well structured and supports efficient storage and movement of products.
- Marico's logistics and transportation network ensures timely delivery of products to distributors and retailers.

Suggestions

Based on the findings of the study, the following suggestions are recommended to further improve the supply chain management practices of Marico Limited:

- The company should continue investing in advanced technologies such as Artificial Intelligence (AI), Machine Learning (ML), and predictive analytics to improve demand forecasting and inventory planning.
- Marico should strengthen supplier collaboration through regular communication and performance evaluation to ensure a consistent supply of quality raw materials.
- The company can further optimize inventory management by adopting real-time inventory tracking systems to reduce stock shortages and excess inventory.
- Additional distribution centers and warehouses can be established in strategic locations to improve delivery speed and reduce transportation costs.
- Marico should focus on enhancing logistics efficiency through route optimization and transportation planning.
- The company can increase the use of automation in warehousing and material handling operations to improve productivity and reduce operational costs.

V. CONCLUSION

The study on "Supply Chain Management in the FMCG Industry at Marico Limited" highlights the critical role of supply chain management in achieving organizational



success and maintaining a competitive advantage in the FMCG sector. An efficient supply chain is essential for ensuring the smooth flow of raw materials, information, and finished products from suppliers to customers.

The findings of the study reveal that Marico has developed a strong and well-integrated supply chain system that effectively manages procurement, manufacturing, inventory, warehousing, logistics, and distribution activities. The company's extensive distribution network and efficient inventory management practices ensure product availability and timely delivery across various markets.

The study also indicates that technology plays a significant role in enhancing supply chain performance. The use of ERP systems, demand forecasting tools, data analytics, and digital solutions has improved operational efficiency, reduced costs, and supported better decision-making. Strong supplier relationships and effective logistics management have further contributed to the company's success.

Furthermore, Marico's focus on innovation, sustainability, and continuous improvement has strengthened its supply chain capabilities and enabled it to respond effectively to changing market conditions and customer demands. The company has successfully balanced operational efficiency with customer satisfaction, resulting in improved business performance and market growth.

In conclusion, supply chain management serves as a key driver of Marico's success in the FMCG industry. The company's efficient supply chain practices have helped achieve cost reduction, product availability, customer satisfaction, and sustainable growth. Therefore, continuous investment in technology, process improvement, and strategic supply chain initiatives will remain essential for maintaining long-term competitiveness and business excellence.

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