

Success story of p.c. mustafa (founder of id fresh food)

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P. C. Mustafa was born in abject poverty in a village near the Wayanad district, Kerala. He was the son of a coolie and his mother had never gone to school. Mustafa failed in 6th class but he developed his interest in studies and went on to work in the company Citibank in Dubai. He quit the job after working for a few years and returned to India and only had a saving of 15 lakhs. Firstly he wanted to give something back to the society. Secondly, he wanted to study business administration and got admission in IIM-Bangalore. He was constantly discussing business ideas with his cousins while doing the MBA in 2005. One of his cousin advised him to sell dosa batter as the latter had seen it being sold in nearby stores. That was a striking moment for Mustafa and he immediately decided to invest 25000 Rupees to start the company. Five cousins decided to join hands and experimented to develop the product with good quality.

They had decided to invest more once they are able to sell an average of 100 packets a day. They operated from a 550 sq. feet space with two grinders, a mixer and a sealing machine. After nine months they achieved this target and PC Mustafa invested 6 lakh Rupees and shifted to a bigger kitchen of 800 square feet with 2000 kg capacity, which is about 2, 000 packets. Initially they supplied their products to 20 stores in Bengaluru with the brand name ID Fresh Food. ID Fresh Food slowly became popular as it sold basic ingredients of South Indian Cuisine. PC Mustafa completed his MBA and officially joined as the CEO in charge of the marketing and finance department of the company. They introduced schemes to increase their sales such as - after sales cash. Therefore, they were able to sell their products to about 300 to 400 stores in two years.

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In 2008, they decided to set up a manufacturing plant and so Mustafa invested another 40 lakh Rupees and bought a 2500 sq. feet shed in Hoskote Industrial Area. They imported new machines from America. Mustafa was very particular about the quality and was constantly researching and developing new products according to customer needs.

The company expanded its operations due to increasing demand and supplied to other cities like Chennai, Mumbai, Pune and Hyderabad. They introduced a business model in which each member became a shareholder in the parent company. In 2013, they started supplying their products to Dubai, and had a separate manufacturing plant in each city. Their products have a shelf life of 7 days only.

They received a funding from Helion Venture Partners of 35 crore rupees and it was used to add more products and scale up the business with better innovations. Azim Premji invested in their company \$25 million in 2017 and they are using it to expand in other cities in India and outside the country.

P. C. Mustafa made the most of the opportunity and is now able to lead the company to making 100 crore revenue with the investment of 4 crore rupees. The financial resources were used at the right time to expand the business step by step. The company has a workforce of 1, 100 employees and he employs people from rural areas.