



**A Project Report On Habib Gulzar Non-Alcoholic
Beverages Limited**

By

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Class: FY MBA

**A project report submitted in the partial fulfillment of
the requirement for the second year Master of
Business Administration**

At

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DECLARATION

I, Mr. Hayat Ulla Fazeli hereby certify that this report has been prepared by me .This report has not formed the basis of any diploma of degree. The report is to be submitted to the (Goa Business School MBA department) as partial fulfilment of internship paper of 3th semester of the Master of business Administration program.

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CERTIFICATE

This is to certify that this project report is a record of work done by Hayat Allah Fazeli during the period of study; under my guidance to the best of my knowledge and that it has not previously formed the basis of an award of any degree or diploma at the Goa University or elsewhere

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(product cost or product price scenario) in production process of HGBL

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EXECUTIVE SUMMARY

Habib Gulzar non-alcoholic beverages limited is a part of Habib Gulzar group and a famous bottler of coca cola in second road of Bagrami industrial district Kabul-Afghanistan, the company established in 2003 and started production in 2006. It has 650 employees who are functioning in different departments, Habib Gulzar beverages limited (HGBL) produces variety of products in international standards like: variety of Cola with different tastes, mineral water, and juices. Juice plant is completely separate from carbonated soft drinks and mineral water plant. Habib Gulzar non-alcoholic beverages limited is the market leader with 85 percent of market share in Afghanistan. As a great experience in my learning opportunities, the company's functionality thought me a lot, there was opportunity of studying of all departments in the company (The Human resources and administration department, store and inventory department, production department, quality assurance department, maintenance department, electric department, safety and environment department, transport department, finance department, Information technology department, and the marketing and sales department). During training in the company, there were not any kind of limitation during departmental studies in the company. Step by step the training schedule that guides from company (HR & admin manager and production plant's supervisor) offered to me, were follow properly during the training period.

The process of departmental studies started from human resources and administration department and continued to marketing and sales department at the end of the training period. The duration of summer internship was eight weeks, in this period of learning besides studying the company's different departments HR and administration manager introduced me to production department, with other departments the main focus of the

training was on production department. Production manager introduced me to production lines and the duty on production lines was supervising four activated lines of production with plant's supervisor, it really satisfies a management student to answer all of questions that he/she kept in mind, (the questions which are relate to management field).

When the company placed me in the production lines, until the process of learning happens in a real scene, it was realizable to answer the question of (what is the process of transformation, inputs-process-outputs in a manufacture company).

The store and inventory department of company provides raw materials for the company beside that HR and admin department provides labor of the company, also maintenance and electricity departments provide (air, water and electricity) which are all (inputs) in the transformation process, production department changes raw materials to finished products with a specific process flow in different lines of production. Along with production department, quality assurance department controls quality of the products which all these are known as (process) in transformation process. Sales and marketing department presents quality released product to the market to satisfy people, satisfaction of people by those products that they wanted is (the output) in transformation process which happens daily in Habib Gulzar non-alcoholic beverages limited.

INTRODUCTION

Nonalcoholic Beverage Manufacturing Industry Overview: Companies in this industry produce carbonated and noncarbonated soft drinks, bottled water, and ice. Major companies include Coca-Cola, Dr Pepper Snapple, and PepsiCo (all based in the US), along with Britvic (UK), Cott (Canada), Danone (France), Nestlé (Switzerland), Red Bull (Austria), and Suntory (Japan).

Competitive Landscape: Demand for nonalcoholic beverages is driven by consumer tastes and demographics. The profitability of individual companies depends on effective marketing. Large companies have economies of scale in production and distribution. Small companies can compete by producing new products, catering to local tastes, or selling at lower prices. The US industry is highly concentrated: the top 50 companies account for 90% of revenue..

Company Name:	Habib Gulazar non-alcoholic beverages limited
Foundation:	2003
Production started:	2006
Business Type:	Private
Street Address:	Bagrami road No 2

City:	Kabul
Province/State:	Kabul City
Country/Region:	Afghanistan
Zip:	0093
Telephone:	(+93) 700858746
Mobile Phone:	(+93) 779449582

Company profile:

Mohammed Habib Gulzar is an afghan investor who is the owner of Habib Gulzar group of companies. HGBL a famous bottler of Coca Cola international company was establish in 2003 but started production in March of 2006. Coca Cola Company has different and variety of products in several categories such as nonalcoholic cola, carbonated drinks, mineral water and different kind of juices. It is mentionable which as of other soft drink companies HGBL is register with the ministry of commerce of Afghanistan.

Vision of the company:

Vision statement is a short description and declaration of what the company hopes to be in the future.

Being a corporate citizen, Habib Gulzar beverages limited vision is to:

- Contribute to the quality of life in our community by offering a portfolio of beverage products that anticipate and satisfy peoples' desires and needs.

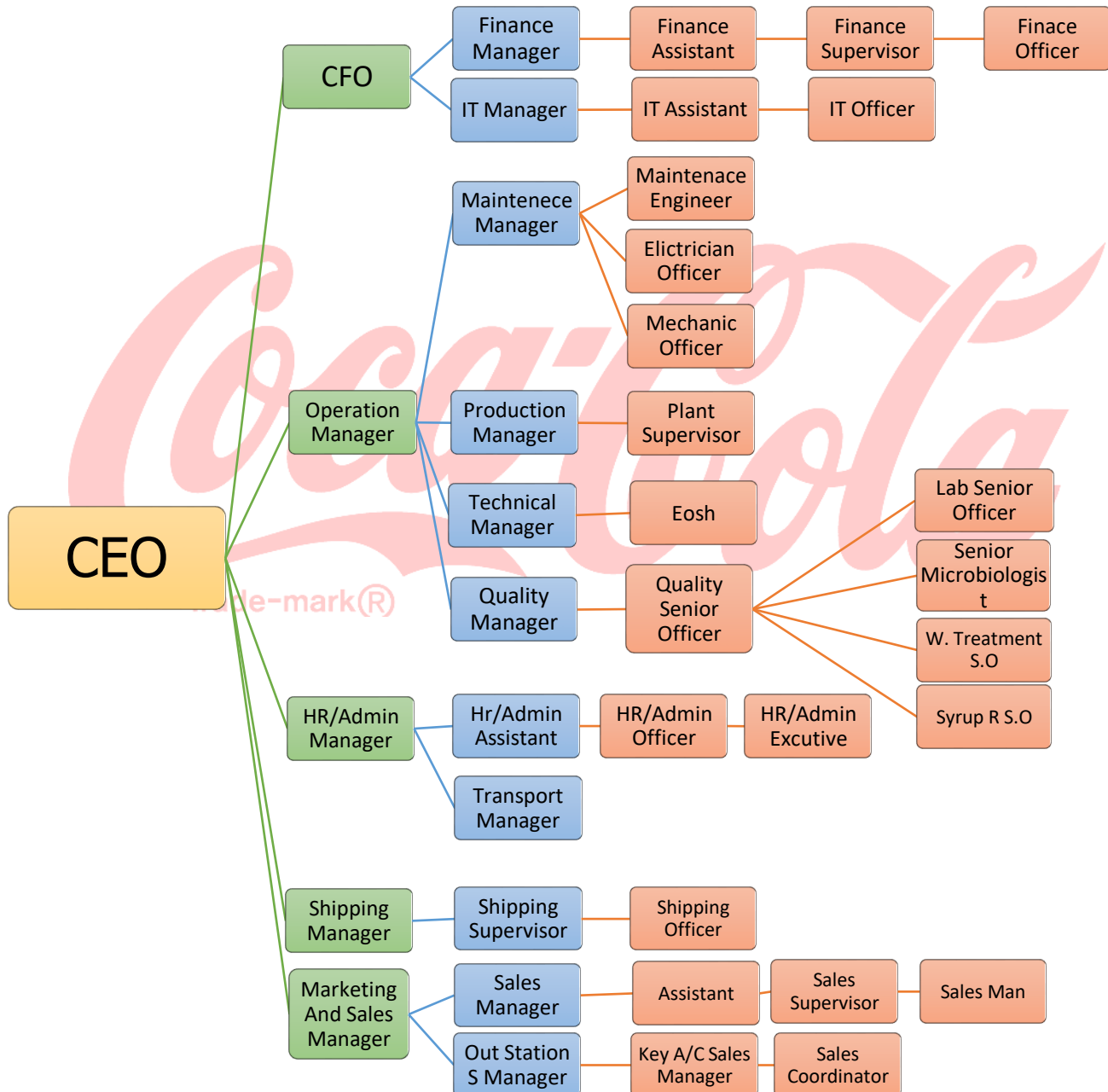
Mission of the company:

In mission statement companies try to say what is their business?

As of other companies HGBL wants to present a mission statement which talks about what HGBL's business is?

Habib Gulzar non-alcoholic beverages limited mission is to add vitality to life by producing and marketing Coca-Cola Company products in such a way, as to create value that can be sustained over the long term for shareholders, employees, consumers, business partners and the community in which we live and work to prosper.

Organization structure



Porter's five forces:

Porter's Five Forces of Competitive Position Analysis were developed in 1979 by Michael E Porter of Harvard Business School as a simple framework for assessing and evaluating the competitive strength and position of a business organization.

1. Suppliers power (High):

- No internal (inside the country) market for raw materials.
- Contract of providing raw material with a few number of big foreign suppliers.
- Low price of raw materials from current suppliers for the company.
- Current suppliers of raw materials have International quality standard certification. The company should produce its products at the international quality standard position in the market in which its own requires a standard raw material as an input for production of qualified products.

2:- Buyers power (High):

- 70 percent of the company target market is foreigner organizations and governmental organizations, existence of less general markets' customers.
- Shifting of C class customers to the other local companies, C class customers are those customers for the company who are paying much attention for low price and less quality, when the company tries to produce at the international standard the price of products will go up and this class of customers will shift to other companies.

3:- Competitive rivalry: (Low)

- Less number of competitors in the market, the soft drink market is not saturated in the country, only a few big companies exist in the region, the other companies are small and local companies that are functioning only in provincial (estate) level.
- A big bottler of soft drinks in Afghanistan (Pepsi co) banned in first days of March 2016.

4:- Threat of substitution: (moderate)

Definition of substitutes are different from person to person but:

- Inside governmental and foreigner organizations there is not any kind of substitute in which employees of those organizations shift to them.

- Existence of different substitutes, like: Lemon soda, juices, and cold water storages in public areas for a lower price than the company's products. 30 percent of the company target market is general market.

5-: Threat of new entry: (moderate)

For the company entrance of new companies to the industry has a threat at the moderate level:

- Difficult to pass government policies to start a new business in the industry like: government taxation and law of labor.
- Much of capital is require for the starting of the business.

8.2- Swot analysis of Habib Gulzar non-alcoholic beverages limited:

Strengths:

1. Market leader with 85 % of market share in the country.
2. A Register authorize bottler of Coca Cola Company, (brand authority in the market).
3. **The company's location:** in Kabul city company located in heart of the city which make their central distribution channel easy to function, because in whole of Afghanistan coca cola has only one production unit which is located in Kabul city.
4. The company has its own distribution Channel in all over the Afghanistan.
5. Coca cola has well trained and expert work force and keeps them to stay in the company by providing good condition of working inside the company, salary increases offers, motivation by various strategies **for Ex: (operators authority during their work)**. In other beverage companies it is easy to another company target their employees, but in coca cola it is impossible which employees shifts to other companies.
6. Low Price of coke products compare to coke's competitors in the Afghanistan, coca cola sales 1500 ml coke bottle for 30 AFN in which other competitor's sale that amount for 40 AFN, and coca cola sales 500ml water for 10 AFN compare to other competitors who sale 15 AFN.
7. Much of the company target market are foreign organizations, NGOs, governmental organizations and etc... so coca cola minimizes its marketing costs in term of advertisements.

Weaknesses:

1. Having foreigner's employees at senior post.

For example: the marketing and sales manager is a foreigner in the company, if the company wants to hire a new manager in the section for any reason, the company strategy is to hire foreigners and the new manager for marketing and sales, he/she needs time to know about current market of the company.

2. **Bottleneck** in HGBL's production line: all of HGBL's machinery is from Germany, there is not any engineer from Machinery Company of coca cola to solve if there any problem happens.

When something happens in one part of production line the other parts cannot work because all parts are related to one another.

For example: one of the production line machine which is palletizer is not working. Palletizer is a machine which is locate after packaging machine in the production line and makes all of packages as a pallet for forklifts which forklifts can easy carry them to stock, so in one of the lines employees manually do pallet of finished products. for doing it manually sometimes employees are not able to do it fast as of palletizer machine, so all of that production line's process should take break until in palletizing area some spaces find for continues packages of coke. For fixing that machine coca cola wanted a German engineer to fix it till coming of that engineer company losses a much volume of products which could be produced in the line, and the company is going to pay much of its money in term of fixation cost.

3. Less focus on their competitors.
4. Less focus on local market especially for coca cola's non-carbonated products.
5. Deactivation of one production line which was RGB line.
6. Coca cola doesn't have shift transport for two shifts (8:00 am to 4:00 pm, 12:00 am to 8:00 am) for the employees.
7. No proper training in every department/section of the company caused to less coordination between departments.
8. Slow functionality of maintenance department. When something happens for machinery of the company, maintenance section should response accordingly on time for that problem. All of the company machineries are from Krones company which a German company, so when one of the machines falls down, for maintenance team it is difficult to fix it again on time, such kind of performance really has a negative impact in production capacity of the company.

Opportunity:

1. Hot seasons in Afghanistan, Afghanistan is a mountainous country but it has two hot seasons which are spring and summer, these seasons are a good opportunity to coca cola produce much more than other two season of autumn and winter.
2. Business expandability in terms of export because coca cola already exports to Tajikistan and Uzbekistan countries and day by day the demand for coke is increasing.
3. Retention of market leadership.
4. Coca cola doesn't have any established and international competitor, Pepsi Company which was the clearest competitor of coca cola banned at first days of **March-2016** in Afghanistan so it is a big opportunity for coke to produce more and more than the time which pepsi.co was active in the market.
5. Much of the company target market are foreign organizations and NGOs (70 % the company market) HGBL can focus much more for their local market than current.
6. Boosting production of coke zero which is a product without sugar for those people who have diabetes disease, a large number of customers exist who want this product but still much of them are not aware about it.

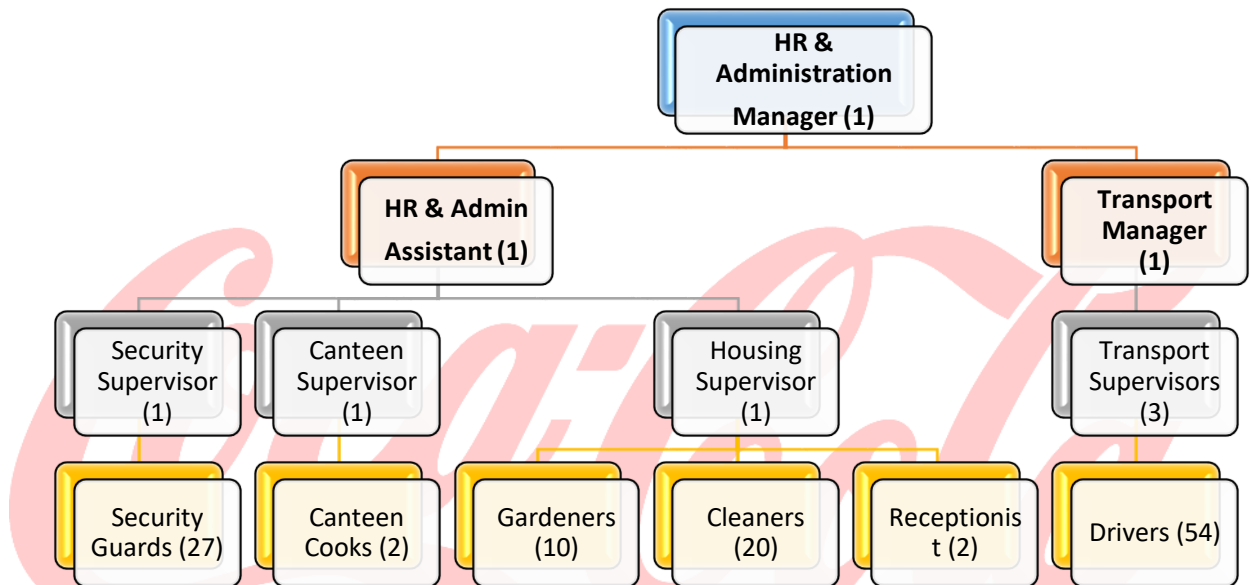
Threats:

1. Threat of insecurity, Kabul city is not a secure city at all. If there is some security issues employees cannot reach on time in work and it is a big threat for the company.
2. The region electricity has problem. When electricity went off some of the production machines take 25 minutes of time to be set again and become ready for productivity so all of ready syrup is wasting.
3. The company purchases all raw material from outside of the country, chance of unavailability of raw materials exist or there is a chance of shortage of raw material.
4. Afghanistan government's laws and regulations directly affect the company (law of labor).
5. Arrival of New Competitors in the market. Day by day the number of competitors increasing in the market.

DEPARTMENTAL STUDY

1-Human Resource and Administration Department

Structure



Objectives:

- Human resources first objective is achievement of an effective utilization of human resources.
- To handle the best recruitment and selection for the company.
- To define personal qualification requirement.
- To conduct and arrange training and keep records.
- To implement different motivational techniques for employees which effects the employee's performance.
- To improve working condition.
- To maintain a high morale and better human relations inside the company.
- To protect from conflicts if conflict happened conflict resolution between employees.

1.1 Working hours:

Coca Cola Beverages Company has three shifts in 24 hours, each shift duration is eight hours, first shift start from 8:00 am to 4:00 pm second shift starts from 4:00 pm to 12:00 am and third shift starts from 12:00 am to 8:00 am.

Only in day shift 8:00 am to 4:00 employees have lunch breaks other two shifts do not have any break for food but they do have break for relaxation.

1.2 Salary payment:

In the company there are two types of employees one is casual employees who are workers in stock/inventory and production departments and the second type is formal employees who are operators and formal workers. Regarding performance of casual employees for every one of them the company pays 180 AFN to 300 AFN wage per day. For every one of formal operators and workers company pays 12000 AFN salary per month. For every one of supervisors in different departments company pays 25000 AFN salary per month, and top managerial level salaries are secret the company doesn't give any data according that aspect.

Training

Company gives training for new employees and for any updates in the production lines and other different departments it means when company wants to set a new technology or update the old technology especially in production lines, they do give training from one to three months for employees.

The training duration depends upon ability of employee if employee learn all things which is given in training period so the training duration will be short but the maximum training period is three months.

Motivation employees

Company holds the best operator of year and the best manager ceremonies once in a year, according to employee performance they also reward their employees by increasing salary of expert and best performer employees, HGBL tries to motivate its employee and create a desire space for each and everyone in the company.

For lower level company has a ceremony under the name of "employee of the month" so the company give 100 \$ for employee of the month.

For middle and higher level employees company has international tours for propose of tourism or training of the employee but this happens only in one year and duration is one month, so company gives the name of employee of the year for middle/top levels' employees. Salary increase is only on the basis of high performance and productivity of employees, beside that in EID, NOWROZ and other festivals coca cola gives two packages

of 1.5 liters' coke for each one of employees.

For lower employees the company:

- Advertising a vacancy via word of mouth.
- Receiving of CVs.
- Jobs have their own description and specification; candidate should be eligible for the job according to their specifications on CV.
- Company has two tests for candidates: one is a behavioral test and the second test which is related to the department candidates applied to.
- Company holds an interview with candidate; the interview is one by one. Interview (production supervisor and HR assistant) holds it, and if candidate was eligible, the company gives a medical test form for candidate.

For middle and higher level, the process is the same but there are some differences in:

- Advertising in websites, TV, newspapers.
- Behavioral, aptitude tests
- Panel interview by (CEO, HR manager, production manager)

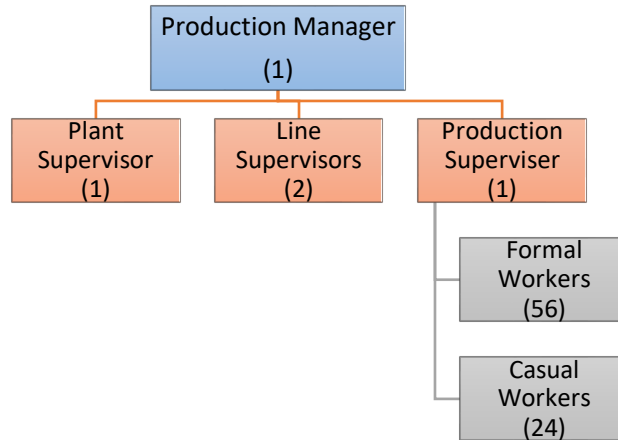
The other processes are the same with recruitment and selection of lower level employees. The company much tries to have internal recruitment and selection because internal recruitment minimizes cost of training and motivates other employees to work hard. If there was no eligible candidate for a new position inside of the company, they conduct external recruitment; they do give training from 1 to 3 months and by doing external recruitment they want to bring new ideas from outside to inside of the company.

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production department:

The production department is one of the most important departments of the company. The production department includes all the areas of production, the process of production, and finally products (what are the products?).

Structure



Objectives:

- Reply to customers' demand.
- Increasing customer's satisfaction.
- Increasing production level, and accurate the production process.
- Producing high quality products.
- .

Some of the production machines:

- Filler machine
- Blowing machine
- Palletizing machine
- Conveyer machine
- Check machine®
- Shrink machine
- Caser machine
- Caps conveyer machine
- Mixer machine

Responsibilities and Functions:

- To handle the production process accurate and on time.
- To control all workers and operators on production plant.
- Controlling of production process capacity.
- Ensuring that all machines are prepared.



12Electric Department:

The department functioning under production department, There are 15 employees functioning under this section, one manager 3 supervisor, 1 pump house operator and ten technicians function in the department., also all electricity of the company, if there is any kind of problem in electricity of the company or in those three sections as mentioned above this section is taking action.

Company provide its electricity 60 percent by generators and other 40 percent is provided by government.

Functions:

- Providing enough electricity for the plant
- Execution of electric maintenance machines 24 hours actively
- General electrification for over all company (apartment lights, office lights, main gate lights and other lights)
- Execute modification and problems

The voltage requirement of the company is 380-400 volt, consumption amount of electricity in the company is 3.5 megawatt which the company provides 2 megawatt of electricity by its generators and rest 1.5 megawatt is providing by governmental electrical sectors. The department includes three generators with different capacities of (350 KVA, 750 KVA and 1250 KVA). The department has a feedback system on papers, feedback performing happens manually and it is on daily basis which shift supervisors reports to the department feedback to department manager

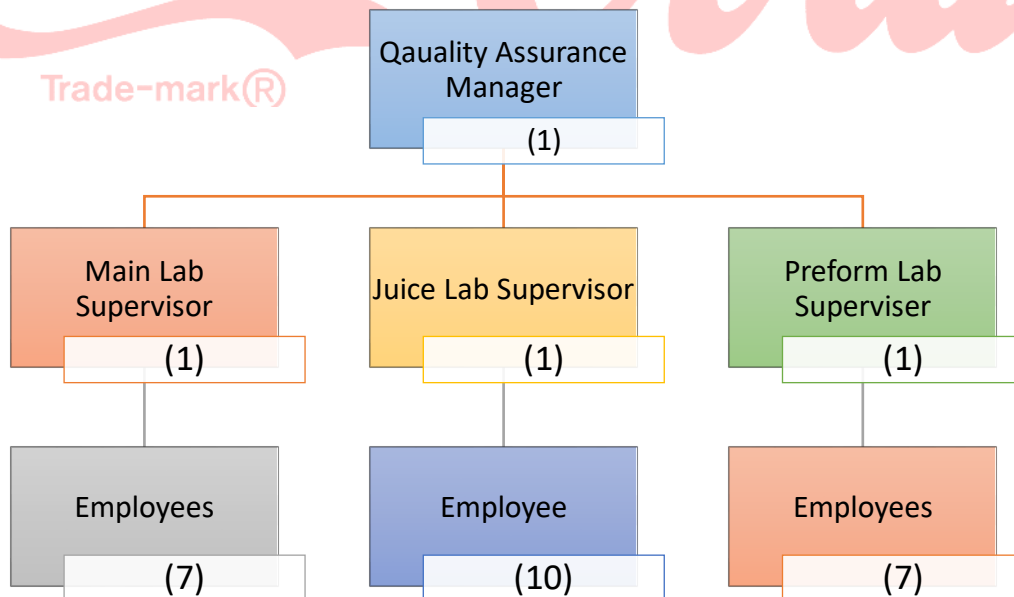
2-Quality Assurance Department

The main focus of the department is on time and accurate checking and presenting all products of the company in international level of quality, the company is a famous bottler of coca cola so the quality assurance department tries to avoid from any kind of complaint from customers regarding products.

Objectives:

- To enrich the products quality, in international standards.
- To attest the products accurately, and presenting qualified products as per customers' requirement.
- To increase customer satisfaction.
- To decrease customers' complaints regarding products quality.
- To respond the complaints from customers.

Structure:



Quality assurance department functions under operation department, in quality department the company has three laboratories:

- 1. Main laboratory**
- 2. Juice test laboratory**
- 3. Preform laboratory**

2.1 Main laboratory: In main laboratory 8 employees are working, 1 supervisor, 4 chemist, 1 microbiologist, and 2 quality inspectors. Quality inspectors have duty of checking in loading time and also visual check of how many cars gone out of the company for distribution. Every 15 minutes the quality assurance department's main laboratory takes soft drink and water samples from product lines and check ingredients of products whether is it standard or not also they check the tartness of bottles it should be standardized and they check cape and seam of the products. In case if main laboratory find any kind of problem in product, suddenly they inform production line and stop production until the standardization happens. Also after packaging when product been put in stock for distribution they once check product plates and then put one paper of check released on the plate. Main laboratory has a chemical room also one sample room which all sample of products are there.

2.2 Juice laboratory: The same activity with main laboratory but in here they check juice products only. Production of different juices happens in other plant of HGBL, separate from CSD products.

2.3 Preform laboratory: In preform laboratory there 8 people function. Responsibility of preform laboratory is to check quality of preforms which coca cola produce it by its own. There are different kinds of preform like: water 500 and 1500 ml preform, coke 1500 ml, Fanta 1500 ml, sprite 1500 ml.

2.4 Market Survey by Quality Assurance Department:

In quality assurance department the company has a market survey team, every month quality team goes to market, evaluate, and survey the market situation.

These are some of their activities which totally have a great effect up to correction some part of the company:

- Analyses of the changes which came during one month or previous performance of survey.
- Asking from wholesalers and shopkeepers about behavior of distribution employees, time of delivery which distributors should deliver products on time, about the correct order delivery.

The quality department shares survey information with sales and marketing department, if there were problem regarding distributors' behavior from sales and marketing department

training is provide for distributors to behave properly with customers. If there were suggestions, ideas or any complaints regarding quality of product, the information sharing happens between quality and production departments which corrective actions should be taken by production department.

2.5 Good manufacturing program (GMP)

This section is functioning under quality assurance department, for a manufacturer company this is the most important section which is able to avoid some of the serious problems that can happen for company. In the section two employees function, one supervisor and one coordinator and they have certain objective and function within the department.

Objective of GMP: To present the best quality for customers through controlling the environment, process, raw materials, operators, and hygiene of production in the company.

Functions of GMP:

- Together with housing section checking garden of company.
- Supervising cleaning of machines and production hall.
- Observation of inside and outside of production area if there is some problem the section orders to solve that.
- Implementation of daily chemical for insects.
- Pest control: controlling of mice in warehouses.
- Insect killer lights' setting in the production plant.
- Checking of kitchen hygiene.
- Checking of operators, operators should have uniform, safety shoes, face mask, gloves, hear plug.
- Checking of visitors, unknown people should not enter to production area.

In case if there is some problem, this sections looks that the problem is related to which department and then they give an order to that department until the department solve problems which are there.

2.6 Main laboratory of Coca cola(Belgium)

Monthly one of coca cola's main branch laboratory which is located in Belgium-Europe collects all coca cola products from market and checks whether the quality of coca cola is as of the international standard or not, if the company products where in international standard levels they confirm the company and appreciates for their hard works if it was not standard, company will receive a warning for first non-qualified samples of its products. For second time if again it happened there is a threat for banding of the company, because Habib Gulzar beverages have the trademark of coca cola main company which is located in USA, so this company (HGBL) directly can have an effect on main branch of coke for

presenting a bad image by producing non-qualified cola in the country. Secondly, every 6 months company send all of its products' sample for main laboratory of coca cola to check the ingredients standardization and laboratory sending the conclusion of that for the company.

2.7 Water treatment Room: In the production plant water treatment room is placed beside the syrup room. There are three employees in the room, one supervisor and two coordinators. Totally the room has three tanks which each tank has 12000 liters capacity of water and mainly the room provides treated water for three sections in the production plant:

- For beverages
- For mineral water (KINELY)
- For rinsing of bottles and cans before filling

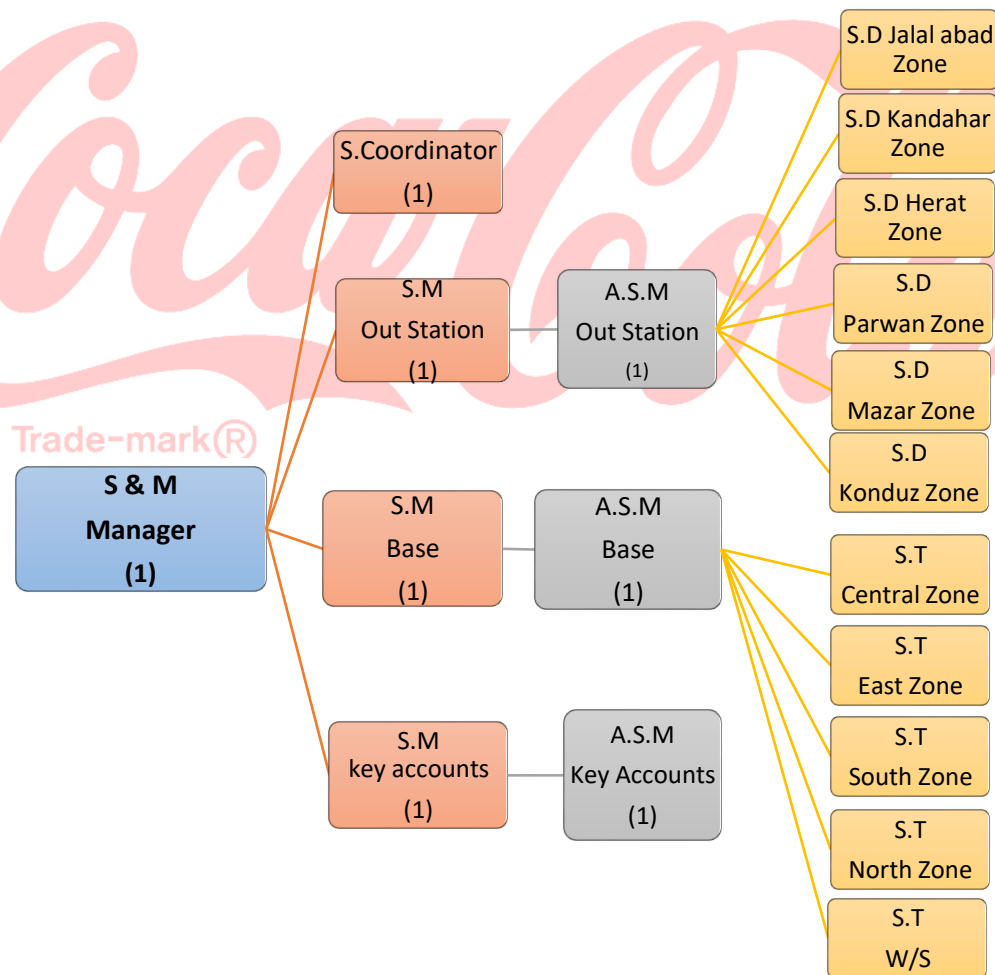
The water is coming to water treatment room from main water storage of the company by pipes, then water goes to Anthracite tank, then there are three carbon tankers and their functionality is to remove chlorine of the tanks which mixed before to the main water storage, after carbon tanks arrow system exist this system balancing water's minerals from arrow system water goes to 3 storage tanks then the process of UV happens. Ultra violet lamps receives water and clean it from bacteria and microbes after that there is a filter which again filters water for final and treated water goes to the production line with pipes.

2.8- Quality policy of HGBL:

The company believes that quality policies should be used to generate quality objectives and should serve as a general frame work for action. Quality policy can be based on ISO 9000 quality management principles, and should be consistent with the organization's other policies. HGBL is committed to produce and market products of highest quality, which meet international quality standards and develop system to attain maximum level of consumer's satisfaction. The company also says that: "what we do, we do well" The company ensures quality and safety of its beverages through the coca cola management system (TCCMS), the company integrated approach is to managing quality, environment, health and safety. The coca cola company reviews TCMMS to ensure it meets the most strength and up-to-date global requirements related to food safety, as well as quality management method, industry best practices and market place conditions. HGBL also point out that: ISO 9001:2000 certification by the international organization for standardization is another endorsement of the company's commitment to produce the products of highest quality. Beside ISO 9001:2000 certification the company has Halal certification also.

Marketing and Sales Department

Structure:



In structure of the department, full names are:
SM: sales manager

ASM: assistant sales manager

ST: sales teams who are functioning in Kabul city capital of Afghanistan.

SD: sales distributors who are functioning outside of Kabul city, in other provinces.

Objectives:

- Best service and customer satisfaction is the first objective of the department.
- Increasing the market share.
- Creating an effective awareness among customers.
- Keeping of the market leadership.

Functions:

- Recognizing different market segment and responding those markets accordingly.
- Opportunities analysis performance for propose of targeting much of local market.
- Preparing monthly target and sales report.
- Achieve sales volume and maintaining the company's market share.
- Mapping and grouping of market for the future promotions.
- Displaying and merchandizing of products.
- Market research of all potential customers.

7.1- The company targeted markets are:

1. General market: general market includes (hotels, restaurants, wedding halls, retailers, supermarkets and shops)
2. Out station distributors: this channel of sales includes outside of Kabul (capital of Afghanistan also the place that company locates), other provinces: (Jalal-Adad, Mazar-E-Sharif, Herat, Kandahar, Parwan and Kunduz provinces).
3. Key customers: for the company key customers are: (five star hotels, governmental organizations and foreign countries military and non-militant camps).
4. There are five sales zones inside of Kabul city (Central, east, west, south and south-west). Each zone has one supervisor, one presaler, one delivery man and one sales man, also beside that each zone has one merchandizer.

Coca-Cola red trucks carry those merchandizers in different regions, their duty is to supervise display of coke refrigerators and coke products in the shops, so there are two types of display of coke products in the shops (warm and cold). There are 30 red trucks for distribution of coke products for five different zones inside of Kabul city, each truck carries (one sales man and one delivery man) at the time of distribution. Presalers have their bikes and their duty is taking of demand from the market.

7.2- Market share: Habib Gulzar non-alcoholic beverages limited, a famous bottler of Coca cola international soft drink company has a market share of 85 percent in Afghanistan.

7.3- Advertisement:

- Coca cola red trucks.
- TV channels (channel 1, TOLO, KHURSHID, ARIANA and NORIN), specially sponsoring important programs in different channels like: SHABKHAND program which is a funny television program of channel 1 in Afghanistan. Also all coca cola's television advertisements are made in Dubai and Pakistan countries then the company contacts to receive them.
- Banners (high ways and public places)
- Online advertising through company's website and Facebook page.

Note: it is mentionable that a huge percentage of HGBL target market is their key customers like: governmental organizations and foreign organizations, so it causes to minimize much of the company's advertisement cost. The company does advertisements less than its competitors in the market.

7.3- Promotional materials:

- T-shirt and caps of coca cola
- Calendars Coca-Cola
- Glasses coca cola
- Wall clock coca cola
- Plastic chairs and Tables of coca cola
- Jacket of coca cola
- Map coca cola
- Umbrellacoca cola
- Refrigerator coca cola
- Handkerchief of coca cola

7.4- Production lines in coke's production plant:

- Line one (mineral water KINELY)
- Line two (Pets)
- Line three (pets)
- Line four (Cans)

7.5- Products:

- **Cans** (coke, Fanta, sprite, coke light, coke zero, Fanta citric, Fanta strawberry) 250ml, 300ml and 330ml.
- **Pets** (coke, Fanta, Fanta citrus, sprite, 3G) 1000ml and 1500ml.
- **Mineral water bottles** (500ml and 1500ml).

7.6- Direct Sales: It includes sales in each zone of base market and key accounts; this kind of sale is done by sales team in every zone by one supervisor, presalers and five marketing vehicle in every zone with a driver, sales man and helper. Presalers are collecting demand from market 2 or 3 days before than sales team distributes the product for each zone. Key accounts sales the product to five stare hostels, huge companies, supreme (ISAF & NATO food supplier) etc.

The demand is receiving through e-mail.

7.7- Indirect Sales: It includes all out station market supplying, all out station are divided to distributors they are demanding through phone and mail. Out station is controlling by sales manager of out station, his assistant and there team.

7.8- Market feedback: It is daily in a feedback sheet and after each 15 days the authorities are checking market.

7.9- Suppliers of raw materials

1. Ali Mukhtar pvt ltd
2. Ahmad chemicals
3. Bericap-kapak sanagi ltd
4. Crown emirates company ltd
5. The Coca-Cola export corporation supplier

7.10- Customers

1. Foreign, National Stores
2. Modern General Stores
3. Super Markets

7.11- Competitors

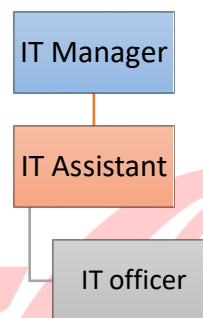
1. Pamir cola
2. Herat Cola
3. Super cola
4. Sadat cola
5. Virgin Cola

7.12: Customer complaints section: it is a fact that customer is the king and customer is the boss. In this section two employees function (one supervisor and one coordinator), the main objective of this section is customer satisfaction after recording their complaints in the company. This section has a very tight relation with quality assurance department. From different zones if the key customers, retailers, coke displayers had any kind of complain regarding (transport drivers behavior, sellers behavior while selling the product and also the product quality itself, they have section's email and phone number and mail or call the section to record their complaints, then this section will operate accordingly).

Information Technology Department (IT)

IT department looks after all the offices auto machinery in the organization like system of all computers, internet link, telephone links, servers and production computerized system. Any problem can be hardware or software is deal by the IT department. All together there are 35 computers in the company which are linked in the system and internet, these are controlling by two servers.

Structure:



Objectives:

- Maintaining and controlling the speed of system and internet link for the access of organization.
- Keeping all the telephone connection in a proper way to solve the problem of every department.

Functions:

- Installation and configuration of servers, software and programs.
- Backup and recovery of the system.
- Making networking environment.
- System and accounts policies management.
- Configuration of network printers, fax machines, scanners, photo copy machines.
- IT trouble shooting and maintenance of all system.
- Making monthly attendance, overtime and leave report.
- Preparing ID cards for all staff in the company.
- Troubleshooting and installation of different software in all computers in the plant (CAN line, KINELY line, 1.5 lit coke line) system (mixer machine, filler machine, blowing machine and labeling machine)
- Configuration and maintenance of all employees e-mail accounts

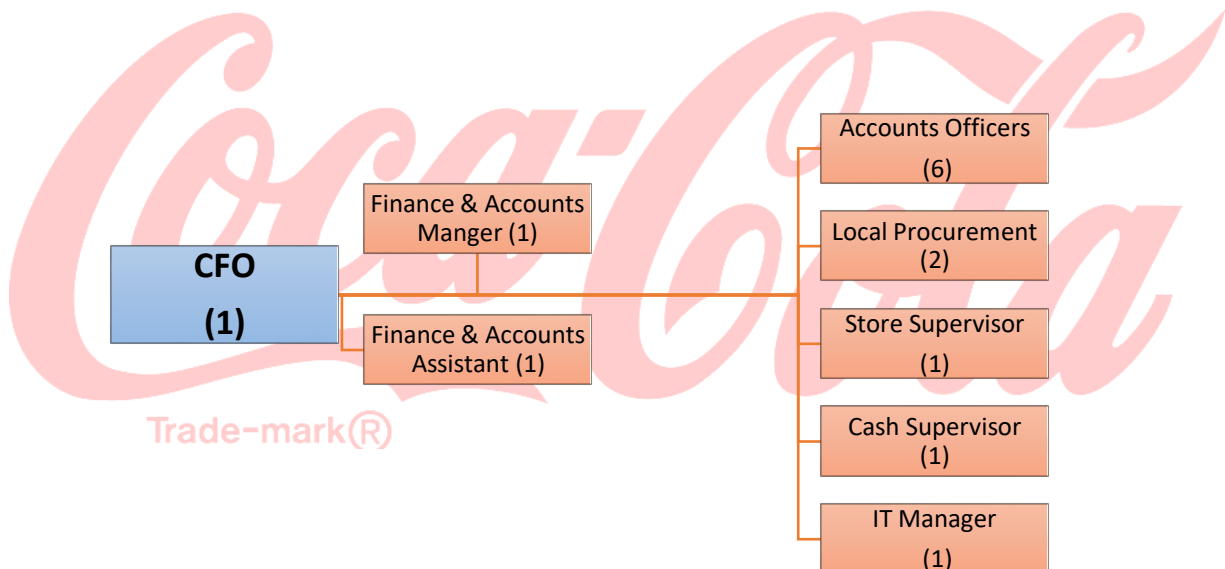
The company has two main servers:

1. **Domain server:** this is a server which is use as a controller and creator of the different users and internet links.
2. **Data base server:** this is a server through which all the system, data base of computers are controlling that the Linux database is also saved on this.

Finance and Accounts Department

With different functions one of the most important department in the company is finance department. All financial and commercial aspects in the company are related to finance and accounts department. Company provides its raw materials from outside of Afghanistan from different countries (Pakistan, Turkey and Dubai), so this department is responsible to order all these needed raw materials for the company. This is only finance manager's duty to contact international suppliers of the company and order raw materials.

Structure:



Including chief financial officer CFO of the department it has 14 employees in its structure and they are functioning in different parts.

Objectives:

- To manage cash and fund properly
- To make maximum profit to company
- To keep all records of the expenditures
- To present a fair balance sheet, profit and loss account

Finance Department Responsibilities and Functions:

- To ensure that all statutory are paid in time.
 - Collection from parties (Debtors).
 - Payment of creditors (Raw materials).
 - Recording all taxes in system and file.
 - Fixed assets and stock report preparation.
 - Processing of salaries
 - Keeps track of day-to-day incoming and outgoing transactions.
 - Declaration of results in the form of financial statement such as trail balance, profit & loss a/c, balance sheet, cash flow and etc.
 - Analyzing of daily raw material and packing material stock.
 - Liaison with suppliers for ordering timely delivery of goods.
 - Checking, coding and sorting of bills, preparing cash payment voucher accordingly.
 - Paying all types of bill such as sales bill, cash payment bill and etc...
 - Controlling over local and international procurement.
 - Preparing cost sheet for all goods which are procured from international market.
 - Preparing monthly financial report, annual closing of raw materials.
 - Proper budget planning and maintaining of bank reconciliation.
- 1- Account receivable: 2 employees functioning in this part, they have certain responsibilities in the section:
- Customer invoicing,
 - Payment reconciliation,
 - Calculation of incentives and commission for marketing and sales department,
 - Bank receipt entry.
- 2- Account payable: as of account receivable part, 2 employees function in this part and their responsibilities are:
- Bank payment entry,
 - Arranging purchase journal,
 - Cost sheet making,
 - Verification of raw materials which are importing from outside of the country.
- 3- General accounting: there are 2 employees whom are functioning in the section and their responsibilities are:
- Booking of all expenses,
 - Processing of Salaries,
 - Over time payments.
- 4- Internal auditing: equally with other finance department's sections this section is stable by 2 employees and their functioning are:
- Checking of stock
 - Fiscal check,
 - Finished goods check which are ready for exporting to other Asian countries,

- Checking of raw materials which are importing from outside of the country, preparing of sales report.

5.1 Local procurement:

The department have a section by the name of local procurement.

There are two employees who are functions in the local procurement duty.

They are buying daily requirement of the company like: mobile recharge cards, stationary material, tea and the urgent materials.

They receive the demand slip which is having three copies one will remain with demander the second with the store and the last one with the purchaser

Maintenance Department

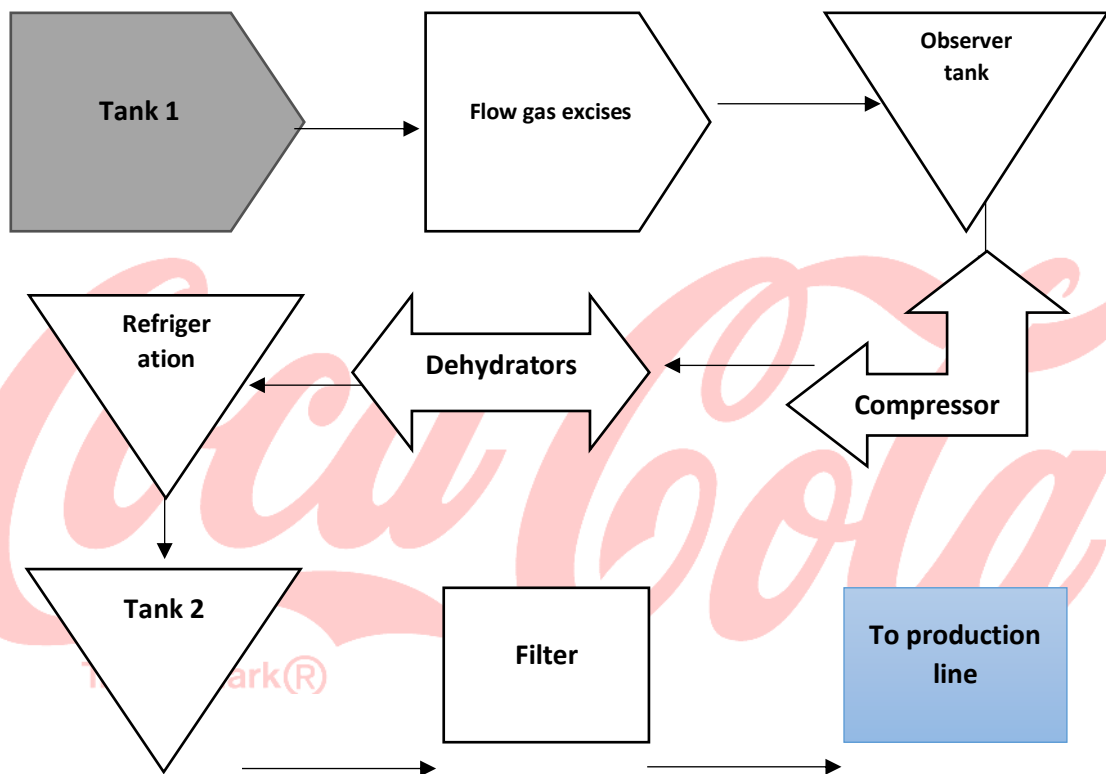
The department Functions under operation department and includes different sections: (CO2, Boiler, workshop, and compressor).

Functions:

- Maintenance of all machines in the production line.
- Controlling of the systems.
- Installation of new production lines.
- Training (operators and helpers).
- Monitoring, controlling, maintenance and installation of electric and mechanic equipment.
- Providing air, water and electricity for production plant and rest of company.
- Giving order of all machines equipment to stock and inventory department and receiving them on time.

3.1- CO₂ section: This section is a very important and necessary section in whole the process of production. It is functioning under department of maintenance, 10 employees function in the section (one supervisor and three employees). The main objective of this section is to provide on time and continuously CO₂ for production plant.

Process flow of CO₂ production:



The process starts from Tank 1 and finish with pipes which are located after filter and those pipes transfer final produced CO₂ to production line. In a soft drink company CO₂ section is a very important section because without CO₂ we cannot name a product carbonated product. Each period production of CO₂, finally the section presents 250 kg CO₂ for production line which that much is require of the production line, some of the days if production capacity was lesser than production of CO₂ the company has contract with different companies who are buying CO₂ so the company sell its extra CO₂ for them to minimize the losses. Final produced CO₂ is like snow and it cannot be mix with water or any other material until a high temperature of warmness is not provided.

3.2- Boiler section:

There are three employees in boiler section (one supervisor and two coordinators). This section also operates under maintenance department and its objective is providing boiled water for different propose of usage for production plant. 2 boilers are there in boiler section with capacity of 5000 litres and the second one is 3000 litres.

Mainly the section boils water for:

- Syrup Hall
- CIP (cleaning inside of pipes) process
- Washing outside of machines

]3.3- Workshop section: Seven employees function under the section (one supervisor and six workshop worker). This section also has its own objectives and functions:

- To train operators for maintaining of machines.
- To very fast fixing of machines which are break down in the production lines.
- To train workshop employees for responding of critical situations.

3.4- Compressor section: Three employees functioning under the section are one supervisor and two coordinators. The main objective of this section is to provide need air for all machines in the production plant

Conclusion and learning:

Habib Gulzar non-alcoholic beverages limited is a company of Habib Gulzar group (the group which functions since 1940 in business field of Afghanistan) also it is a famous bottler of Coca cola soft drink company in Afghanistan. Habib Gulzar an Afghan investor is owner of the HGBL Company. The company is market leader with 85 percent of share among bottling companies in Afghanistan. Habib Gulzar non-alcoholic beverages limited was established in 2003 and started production in 2006, it is located in Bagrami industrial district of Kabul city. The company produces variety of non-alcoholic soft drinks such as: mineral water, carbonated drinks, juices and non-alcoholic cola. These products are in different sizes and tastes which are **Cans** (coke, Fanta, sprite, coke light, coke zero, Fanta citric, Fanta strawberry) 250ml, 300ml and 330ml. **Pets** (coke, Fanta, Fanta citrus, sprite, 3G) 500ml and 1500ml. Mineral water bottles (500ml and 1500ml).

The company has different departments with different functionalities:

The Human resources and administration department, the store and inventory department, the production department, the quality assurance department, the maintenance department, the electric department, the safety and environment department, the transport department, the finance department, the Information technology department, and the marketing and sales department. The company has 650 employees whom are functioning in various sections of the company. Chief executive officer CEO Controls over all the company, the company also has chief financial officer CFO and all other departments function under CEO of the company. The company has its own distribution channel in Afghanistan and divides the market into two part on the basis of geographical distribution: inside of Kabul zone and outside Kabul zones (provinces), Outside Kabul distributors: this channel of sales

includes outside of Kabul (capital of Afghanistan also the place that company locates), other provinces: (Jalal-Adad, Mazar-E-Sharif, Herat, Kandahar, Parwan and Kunduz provinces).

My learning: the learning process comes from the company which helped me a lot and did not limit giving of information and helpfulness to me, until the process of leaning happened and the ability to answer all those questions which a management student keeps in his/her mind. It was a great opportunity for me to join Habib Gulzar non-alcoholic beverages company a famous bottler of coca cola international brand in soft drink industry. After the joining day with company at 09-04-2018, there was chance of studying all the company's departments, especially production department. Besides the general learning which happened, some of noted points should be mention as of learning, all key points which added more and more in my knowledge and helped me proud to be a management student. In summary those points are:

1. One of the most important thing in the company which noted is that the level of trust up to a new employee is lower than an experienced or old employee of the company, even at the same position or job. This is a main cause which much of new employees depressed and cannot function properly for the company, besides this humans have the nature of jealousy, which can be visible and explanatory in a real scene in the company (it can be interesting but it's a fact) there are some of the people who do not want you may have any achievement or improvement in the company, as it seems to be realize this is one of the main reason of incoordination between departments in the company. Whenever we are employees of a company, the primary but greatest aspect for an employee to have is (having of organizational behavior, or knowing how to behave in his/her working space?)
2. .capacity reduced and 24 hours production or three shifts 172800 bottles the capacity reduced, it is really a big risk for the company. It is mentionable that the company wanted maintenance team from Kroners Company-Germany to solve the problem obviously until they come it takes much of time and much of cost.
3. .(Customer is the king, customer is the boss), by realizing this fact the company do have market surveys weekly and monthly also the company has customer complaints section which people ideas, observations, suggestions and complaints help the company a lot to avoid from its employees misconducts and have a high and qualified products in the market, until to keep licence of coke main company which is an international brand in soft drink industry in the world.

12:-Recommendations/suggestion: In order to ensure that employees have enough skills to perform their daily tasks, there is always need for training and improvement of their skills. Therefore, it is recommended to Habib Gular non-alcoholic beverages limited that their main action would be taken for addressing of these problems:

1. Training gives employees the vision of high performance and high productivity, although there is a program of training in overall company but for new employees it should happen booster than current, because the problem of low coordination between departments raises from this point, the problem of do not knowing hierarchal levels (who reports to whom?), especially in Electric department is more visible. So by implementing a clear method of training (orientation period for explaining the

departments' functionality for new employees, main training period on the employees' specific duties and refresher training programs) the company overcomes the problem.

2. As it is stated in facility layout map of the company, there is a far distance between store inventory and store office in the company, which all of the store employees have their problems in term of wastage of time. As the company is a manufacturer company so all the time stores helpers should take the signature of the store manager because the process of storing of raw materials happens it takes much of their time to come and go back to their duties. So it is recommended that there is a huge free space (cubicles) in store inventory, it is easy to shift all store office documentations to store cubicles and solve the store employee's problem that in reflect it has the advantages of (saving time and labor) for HGBL company.
3. 40 % of the company electricity is from government side and the region electricity is not proper (suddenly it goes off), the government electricity section which provides electricity for the company does not informs the HGBL company until for the next day the company may not have electricity, until the company make the next day's production schedule accordingly for 60 % of the electricity that the company provides by its generators. So by doing such a lot of wastages happen, because the day when 40 % of the company may not provide, production team in company make their schedule normal and it wastes a lot of resources of the company (raw material like ready syrup, labor because something half of machineries are not active and their operators don't have any other work and wastage in term of time because the production process is continues 24 hours so having not electricity downs the overall production of the company, obviously it is a big risk which again it is a huge expense for the company during production process). It is recommended that as it noted during the practice work on electricity department of the company no one from the HGBL not recorded any kind of complaints again the electricity section of government until this section with a single email can prevent from a huge amount of wastages (raw material like ready syrup of cola, labor, time and cost) in HGBL company, because it is an Afghan company and pays tax for Afghanistan government either.