

**A DEPARTMENTAL STUDY REPORT  
OF NESTLÉ INDIA LIMITED**



**SUBMITTED BY**

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**GOA BUSINESS SCHOOL TALIGOA PANJIM- GOA**



**Nestlé**

## DECLARARTION

I Miss Shruti Surlaker, Student of Goa Business School, Taligoa-Goa, hereby declare that I have completed my project for the academic year 2021-2023.

An analysis of Nestlé India Ltd has been prepared by me during the months of May-July 2022 under the guidance of Mrs. Rajanala Nirmala, faculty member at Goa Business School, Taligoa-Goa.

The information submitted by me is true & original to the best of my knowledge.

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Ms. Shruti Surlaker

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Assistant Professor

(Internal Guide)

Date: 13/07/2022

Place: Taligoa Panjim-Goa.

## **ACKNOWLEDGEMENT**

I extend my gratitude to Goa Business School for providing me the opportunity to broaden my knowledge in the field of manufacturing industry and my project guide Mrs. Rajanala Nirmala for giving me the required information and helping us throughout the internship program.

I would also like to express my special thanks to Factory Manager Mr. Manmohan Dhar, Mr. Santosh Balekundri, the HR Senior Executive and my guide Mr. Manish Kumar for giving me a chance to get trained in their company and helping me in my day-to-day activities during the internship.

I extend my thanks to all the employees of Nestlé India Ltd, Ponda-Goa who helped me in moral and material needs as well as sharing their knowledge to improve my theoretical and practical knowledge.

Finally, I would like to express my special thanks to my families and friends helping me in all aspects and appreciate me to spend my all time in the work place during my internship time.

## CERTIFICATE

**Nestlé India Limited**  
(CIN : L15202DL1959PLC003786)  
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11<sup>th</sup> July 2022

### TO WHOMSOEVER IT MAY CONCERN

This is to certify that Ms. Shruti Shrikant Surlaker had worked on the Project titled 'Induction Process and Automation Process' in our Factory. The Project was undertaken from 16<sup>th</sup> May 2022 till 08<sup>th</sup> July 2022.

**NESTLÉ INDIA LIMITED**

**Ponda Factory**

**FACTORY MANAGER**



(Regd. Office : 100 / 101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001.)

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## EXECUTIVE SUMMARY

This report is divided into five chapters. The first chapter of this study is deals with company profile which gives a brief about the company's mission and vision. The second chapter is about the industry analysis that present the market size PESTAL and five forces of analysis in order to understand the industry in every aspect. The third chapter deals with some of the theoretical concept about the company analysis of theNestlé India Limited and also deals with the SWOT & VIRO analysis which is important in the company prospective it helps to understand the company's Strength, Weakness, Opportunities & threat. The froth chapter is about the departmental study in which I wrote about all the departments which are there in the company so departmental study spoke about the functions of all the departments in detail. The fifth chapter is about my learning's and what work I did in the company.



## **Chapter 1**

### **COMPANY PROFILE**

Nestlé was founded in 1866 by Henri Nestlé with headquarters in Vevey, Switzerland. It has employed around 250,000 people and has factories or operations in almost every country in the world. It is one of the world's biggest food and Beverage Companies. The Company's priority is to bring the best and most relevant products to people, wherever they are, whatever their needs, throughout their lives.

Nestlé's products include baby food (some including human milk oligosaccharides), medical food, bottled water, breakfast cereals, coffee and tea, confectionery, dairy products, ice cream, frozen food, pet foods, and snacks.

#### **Nestlé says**

We Unlock The Power Of Food To Enhance Quality Of Life For Everyone, Today And For Generations To Come.

Our Values Are Rooted To Respect.

#### **Our Mission Statement**

Nestlé is...

...the world's leading nutrition, health and wellness company. Our mission of "Good Food, Good Life" is to provide consumers with the best tasting, most nutritious choices in a wide range of food and beverage categories and eating occasions, from morning to night.

#### **Our Vision and Values**

To be a leading, competitive, Nutrition, Health and Wellness Company delivering improved shareholder value by being a preferred corporate citizen preferred employer preferred supplier selling preferred products.

## **Chapter 2**

### **INDUSTRY ANALYSIS**

Nestlé's falls in the food industry. Therefore, it is important to understand about the Indian food industry

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.

Accounting for about 32 per cent of the country's total food market, The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licenses, and 100 per cent export-oriented units.

The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth.

It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment. The Indian gourmet food market is currently valued at US\$ 1.3 billion and is growing at a Compound Annual Growth Rate (CAGR) of 20 per cent.

The online food ordering business in India is in its nascent stage, but witnessing exponential growth. With online food delivery players like Food Panda, Zomato, Tiny Owl and Swiggy building scale through partnerships, the organized food business has a huge potential and a promising future. The online food delivery industry grew at 150 per cent year-on-year with an estimated Gross Merchandise Value (GMV) of US\$ 300 million in 2016.



Our portfolio covers almost every food and beverage category –offering products and services for all stages of life, every moment of the day, helping people care for themselves and their families.

## **PORTER'S FIVE FORCES ANALYSIS**

- **The threat of substitute:**

According to Arshed and Pancholi (2016) consumers are willing to pay any prices if there is no substitute for the products they wish to buy. The lack of close substitutes means that the buyers are insensitive of the prices, and they can pay any amount. The extent to which the alternatives are available depresses the prices. For the case of Nestlé, it faces a lot of threats from the homemade food products that are retailed at way low prices. Also, the notion that the baby milk formulation sold by Nestlé is not healthy has made the health conscious people seek other alternatives.

- **Supplier's bargaining power:**

In this case, the buyer is the company, and the seller is the producer. Nestlé is an international brand, and its command overrides and subdues others in the same line of operation. They can buy the products at lower prices for the producers, which significantly increase their revenue. For example, one of the oldest suppliers to Nestlé is Musim Mas, who supplies palm oil, who have low bargaining power. Hence Nestlé can control the price.

- **Buyer's bargaining power:**

The bargaining power of the customer is determined by factors such as the ease of switching, cost and the information regarding the available substitute. Nestlé's customers have high bargaining power because the cost of bargaining is low, and they can seek similar products from brands such as PepsiCo, Coca-Cola and others. Failing to consider their feedback can result in a mass exodus, which would affect the profitability of the company negatively.

- **Barriers to Entry:**

The optimal barriers to enter the market include product differentiation, government and legal requirements, capital requirements, economies of scale and others. For Nestle, they face

a huge challenge to enter new markets due to the lack of product differentiation. They offer products that can be accessed on other companies such as PepsiCo, hence making it difficult to win new customers.

▪ **Competitive Rivalry:**

The competition in the foods and drinks industry is wide, which exposes Nestlé to such rivalry (Johnson et al. 2013). This forces the company to innovate new ways of marketing, and manufacturing products that are of high quality and meets the modern customer's demands. Nestlé being an international brand benefits from the loyalty of the customers.

## **PESTLE ANALYSIS**

### **Political**

- Wide Regulation

Governments across the world have expansive regulatory frameworks for every aspect of the food industry. This includes the cleanliness of commercial kitchens, the standards for storing and transporting produce, and even the requirements for laborers in the food business.

Without a doubt, this makes the food industry one of the most tightly-regulated industries of all. On the plus side, this ensures that consumers aren't exposed to poor quality nutrition, but the complexities of regulation certainly take away from the margins of the food business.

### **Economic**

- Growing Disposable Incomes

As a general trend, the world's population is only getting richer. That means that individuals in the lower, middle, and upper classes all have more money to spend on luxuries — including restaurant food. As a result, the overall revenue of the food industry is growing, as individuals cook less and eat out more often. This has a positive effect on all corners of the space, including restaurateurs, food distributors, and the individual workers who play a role in these businesses.

- Increasing Labor Costs

Disposable incomes are growing for a reason: labourers are earning more money these days. On the whole, the cost of hiring workers is increasing across all industries. This is caused by not only a growing demand for employees, but also higher and higher government expectations for minimum wages. As in many other industries, the effect of increasing labour costs is simple: fewer margins for the owner of the business, and thus less profit.

### **Sociological**

- Health Consciousness

Nowadays, scientists know more about the relationship between food and our bodies than ever before. There's a clear relationship between the food we eat and our personal health, and consumers are conscious of this. As a result, many individuals are looking for healthier ways to fuel their bodies. This doesn't necessarily have a positive or negative effect on the food industry, but it means that businesses will have to adapt to stay relevant. For example, fast food businesses will likely have to move away from traditional, high-calorie fried foods towards healthier alternatives like salads.

- Dietary Restrictions

Aside from having a better grasp of what kinds of food are and aren't healthy, consumers are also more knowledgeable about their individual dietary restrictions. For example, many individuals now understand the negative impact of gluten in those with Celiac disease. This has led to consumers expecting greater understanding on behalf of those who work in the food industry. Once again, this isn't necessarily a bad thing, but it means that the food industry will have to make changes to keep clients happy.

### **Technological**

- Automation

We're seeing various types of automation more and more in the food industry. Perhaps the best example is the use of self-checkout screens at fast food venues such as McDonalds, but it's not the only one! Just recently, social media platforms went crazy as viral footage of a

hotel's robot cooking up omelettes began to spread. As we find more ways to use technology — including robots — in the food industry, there will be less need for labourers. Overall, this is a good thing for the industry, as it will allow businesses to improve profitability and reduce the likelihood of human error.

## **Legal**

- Safety Standards

As touched upon in the Political section of this PESTLE analysis, the food industry has high standards for safety matters. In particular, there are scores of rules in every country on how food should be transported, stored, and prepared — including directions on what temperatures various food types can reach, how they should be cleaned, and so on. While this is indeed largely a Political issue, it becomes a Legal matter if any of these regulations are ever breached. As such, those in the food business need to be extremely careful to ensure that they stay within the bounds of these rules to prevent costly lawsuits.

## **Environmental**

- Impact of Meat

Not only is there growing awareness for the health repercussions of the food we eat, but also for the environmental repercussions of the food we eat. One particularly problematic food group from an environmental point of view is meat. The production of meat — especially red meats — uses huge amounts of water and creates a significant carbon footprint. No less, the meat industry is tearing down large amounts of forest to create new space for farms. The result of this is that more and more individuals are switching to plant-based diets, and governments are slowly taking interest. Once again, this isn't necessarily a negative for food businesses, but they will have to recognize the impact of this shift in the long term.



## **Chapter 3**

### **COMPANY ANALYSIS**

Nestlé India Ltd. is a part of the Nestlé SA group which one of the largest manufacturing companies in the world. Henri Nestlé founded the company (with its headquarter in Vevey, Switzerland) in 1867. Nestlé India Limited is the Indian subsidiary of Nestlé which is Swiss multinational company. The company is headquartered in Gurgaon, Haryana. The company's product includes food, beverages, chocolate & confectioneries. Nestlé India is one of the largest players in India's Fast-moving consumer goods segment and has a long history in the country. Nestlé India Limited was incorporated at New Delhi on 28 March 1959 and was promoted by Nestlé Alimenting S.A via a wholly owned subsidiary, Nestlé Holdings Ltd, Nassau, Bahama Island. The company builds their first production facility in 1961 at Moga, in Indian State of Punjab.

Nestlé India Code of Business Conduct: Since its founding, Nestlé business practices have been governed by integrity, honesty, fair dealing and full compliance with all applicable law. Nestlé employee worldwide have upheld and lived this commitment in their every day responsibility ever since & Nestlé reputations remains one of the company most important assets today.

The Nestlé corporate business principles prescribe certain values and principle which Nestlé committed worldwide. This code of business conduct specific and helps the continued implementation of the corporate business principles by establishing certain non-negotiable minimum standard of behavior in key areas. The nature of this code is not meant to cover all possible situations that may occur. It is designed to provide frame of reference against

which to measure any activities employee should seeks guidance when they are in doubt about the proper course of a action in a given situation, as it is the ultimate responsibility of each employee to do the right things, a responsibility that cannot be delegated.

### **Competitors:**

Mondelez, Mars ,Kraft Foods, Danone, Hershey's, Heinz, Unilever, General Mills, Kellogg, Lindt, Ghirardelli, Pepsico, Ferrero Rocher, Amul & Engro foods

### **Coffee Competitors**

Starbucks, Keurig & Maxwell house.

### **Annual Turnover**

Rs. 122 billion previous year in India.

### **Product Portfolio**

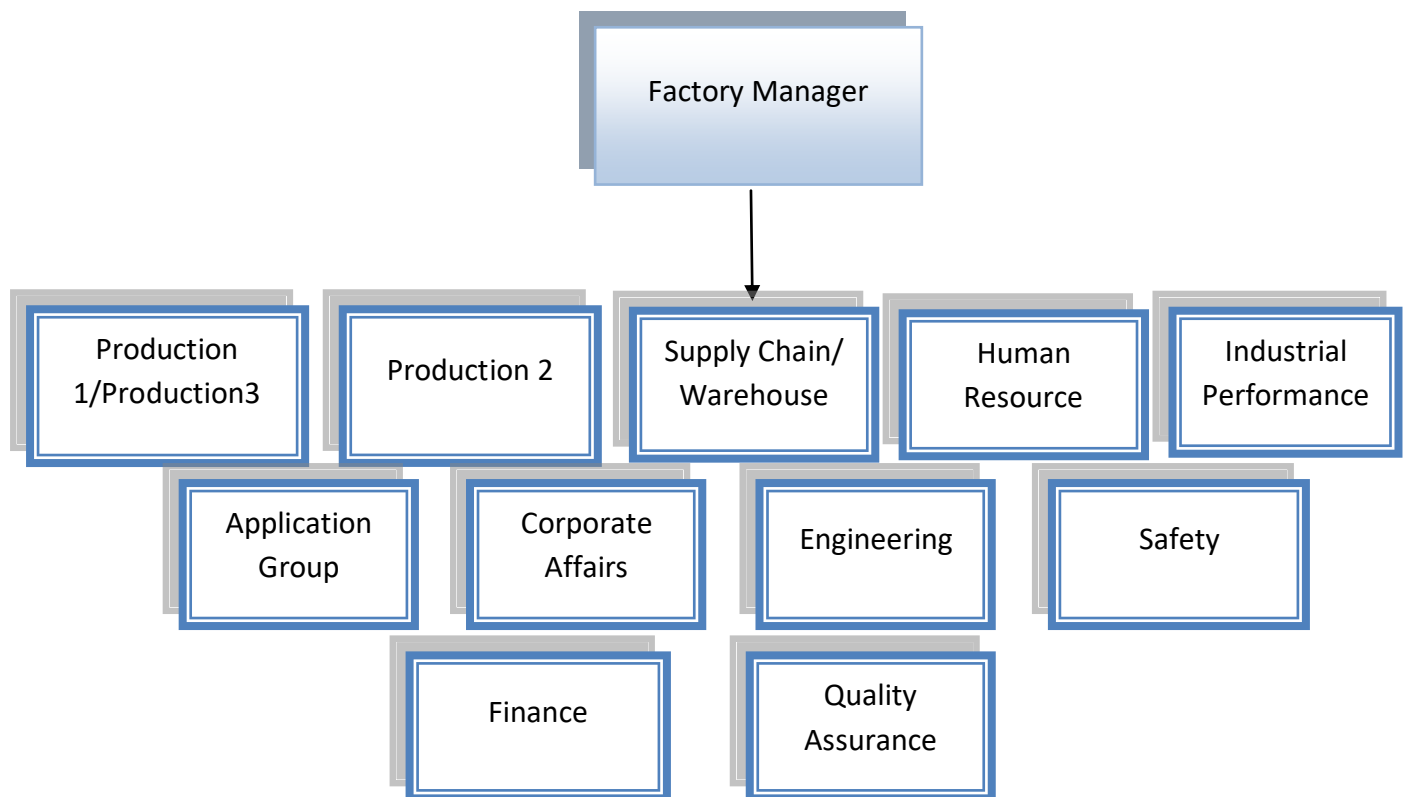
Over 150 years, the company expanded into **187 countries** with a varied product range. The products are divided into the following broad categories:

- Powdered and Liquid Beverages
- Nutrition and Health-Science
- Pet Care
- Milk Products and Ice-creams
- Prepared Dishes and Cooking Aids
- Confectionary

## **NESTLÉ FACTORIES IN INDIA**

There are 9 Nestlé factories in India. The main headquarter is in Mumbai, Kolkata, Chennai and Delhi. The oldest factory in India is in Moga, Punjab. There is a coffee factory in Karnataka, Maggie factory in Patna. In Goa the factories are in Bicholim and Ponda. Maggie factory is in Bicholim whereas, Ponda factory produces chocolates.

## ORGANISATIONAL STRUCTURE (PONDA FACTORY)



## SWOT ANALYSIS OF NESTLÉ

### 1. Strengths of Nestlé:

The Company possess the unmatched research and the capacity for development, contributed by the huge revenue that is collected from the different states.

The company offers an unrivalled brand that has a huge presence globally. The company engages in environmental sustainability efforts Nestlé owns a wide range of brands in the world, which gives it a winning strategy as opposed to other competitors in the same market.

## **2. Weaknesses of Nestlé:**

Contaminated food recalls which lower the return. Being the largest food company in the world, it faces a lot of criticism in regards to its policies, and there is no exception to this. Among them is unethical marketing of body products among others.

## **3. Opportunities of Nestlé:**

Clear and accurate labeling to attract customers and avoid selling the default product. Enhancing transparency in the sourcing of the product. Customers are currently more focused on establishing how the products they consume were grown, as the issues of health become paramount in modern society.

A growing number of food startups that are introducing new ways of growing and retaining foods and drinks. Nestle should invest in such company to help in meeting the future demand for food in the world. There is growing ready to drink coffee and tea market. According to Nestlé for past three years, the ready to drink tea market grew by 37%, where Nestlé can tap into to increase its growth rate.

## **4. Threats to Nestlé:**

Increased competition in the industry, which forces the company to continue restructuring its marketing models, which is an expensive venture. Also the increasing number of local and international players in the food and beverage industry makes it hard for Nestlé to differentiate its product. Increasing prices of commodities will heighten the prices offered to the consumers thus resulting to lowered sales and probably brand switching. Buyer's power with the diversified consumers goods market where there is a plethora of brand, consumers are at liberty of choosing what they want. It is difficult to stick to one brand, which exposes Nestlé to possibility of losing customers to rivals.

## **VRIO ANALYSIS**

The VRIO analysis of Nestlé Company is a broad range analysis providing the organization

With a chance to acquire a viable competitive advantage against its competitors in the food

And beverage industry.



**Valuable:**

The resources used by the Nestlé company are valuable for the company or not. Such as the Resources like finance, human resources, management of operations and experts in marketing.

This is some of the key valuable factors of for the identification of competitive advantage.

**Rare:**

The valuable resources utilized by Nestlé are even rare or expensive. If these resources are Commonly found that it would be easier for the rivals and the new competitors in the industry To effortlessly move in competition.

**Imitation:**

The imitation process is costly for the rivals of Nestlé Company. However, it can be done Only in two different techniques i.e. product duplication which is produced and manufactured By Nestlé Company and launching of the substitute of the products with switching cost. This Increases the threat of disruption to the recent structure of the industry.

**Organization:**

This component of VRIO analysis deals with the compatibility of the company to position in The market making productive use of its valuable resources which are difficult to imitate. Frequently, the development of management is totally dependent on the firm's execution Strategy and team. Thus, this polishes the skills of the firm by time based on the decisions Made by firm for the progression of its strategic capitals.

## Chapter 4

### THE DEPARTMENTAL STUDY OF NESTLÉ AT USGAO PONDA - GOA

#### FINANCE AND CONTROL

This department is divided into three:

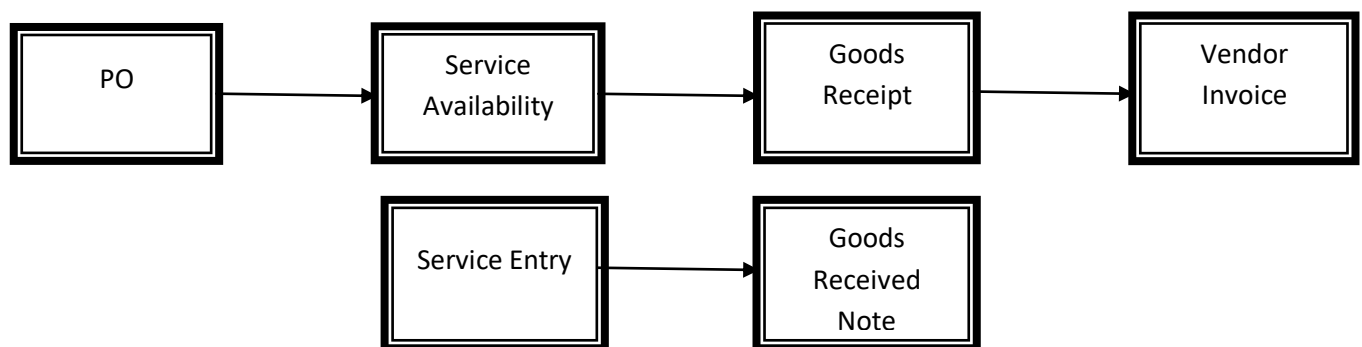
- **Purchase**

They handle the purchase orders for direct and indirect material. The direct material like package materials and raw materials are centralized and are handled by the head office. The services and indirect material like spare parts, store items are purchased by the factory. Any purchase order that is more than 4 lacks is sent to the head office which is why indirect material is partially centralized and partially decentralized.

They have a SAP system that lets the supply chain department send a call of PO (Purchase order) or PR (Purchase requisition) when the buffer stock is below minimum.

Stock of consumables like masks, soap liquids etc. is maintained but not valued in the balance sheet.

Process of Purchase:



E.g.: Housekeeping facilities are required; the purchase department creates a PO. After the service availability is checked, a good receipt is made and the invoice is sent to the vendor and service entry is done. When the payment is finalized, a goods received note is generated.

A shared service center takes care of the payments and not the factory itself.

Payment is made within 30 days by RTGS (Real-time gross settlement).

Services like plumbing, fabrication, and plumbing have a contract of 365 days; services like laundry, housekeeping, and security are outsourced.

- **Costing**

There are two kinds of reports made. The factory makes technical report while the head office makes the functional report.

They created detailed report for the period enclosing and it contains the actual cost of consumption of raw material. They do activities-based costing which takes into account specific statistical data like men power

Sheet 8- Gives the visibility of raw material, packing material, labor energy & sub-contracting cost (variable)

Their stock Keeping Units (SKU) base on quantity produces

Zero Lose Material Variances (ZLMV) System to ensure that there is zero losses to the company

Then, they have to inform the head office in a simple form

Zero loss quantity exact amount of material required to produce certain quantity  
(standard material)

Include inherent losses on any purchase

- **Accounts & Taxation**

GST:

12% tax on sugar boiled confection

12% on instant noodles & sauces

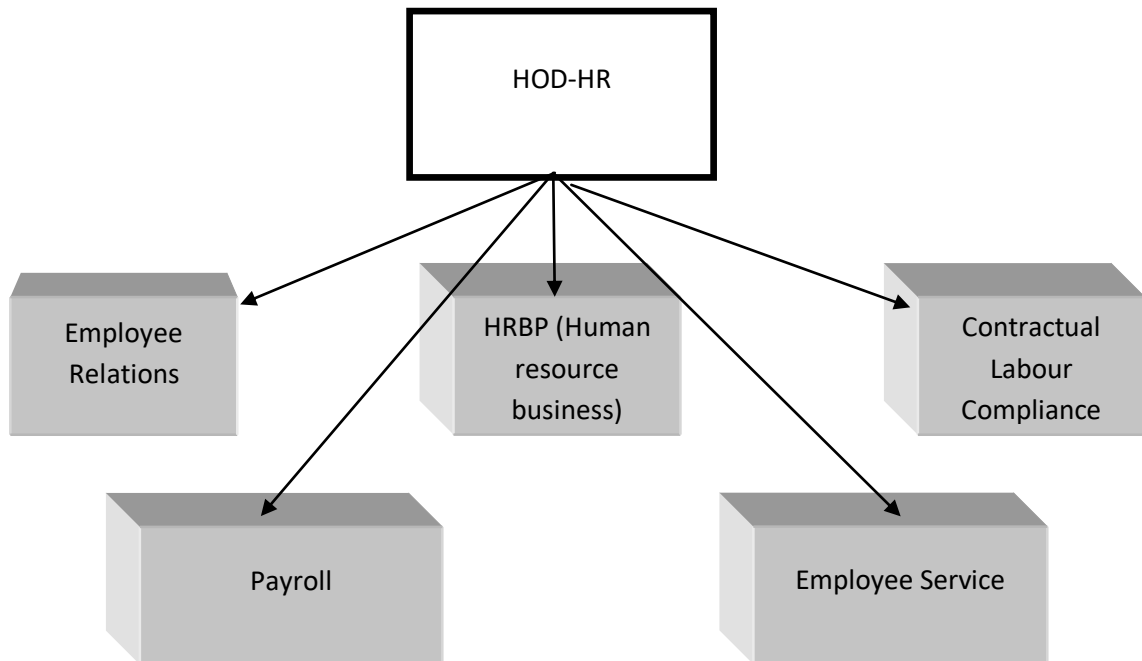
18% on Coco butter chocolate like Kit-Kat, Munch and Milky Bar: -tablet& chew  
Chocó

Sale to Distribution Center is done through stock transfer and GST is paid to the government

90% payments are done through PO (Purchase Order)

## HUMAN RESOURCE

Structure of HR:



## SAFETY

These are few lines from Nestlé's policy of safety and health at work which are explained below:

- Safety is non-negotiable:

At Nestlé, we believe that sustainable success can be reached only through people. No other asset in the company is as important as the people who contribute with their work to our culture and our business results. Therefore, we devote all the necessary energy and attention to protect employees, contractors and any other people involved with the company along the value chain, including suppliers, customers and the public.

- Compliance:

To be at the forefront of accident prevention in the industry, we implement in all our sites the mandatory Nestlé Occupational Safety and Health Management System, which meets or exceeds the requirements of the health and safety laws applicable in the countries in which we operate.

- **Strong safety and health organization:**

Nestlé believes that accidents are preventable and therefore “one accident is one too many”.

We integrate Safety and Health in the management of our business in such a way that all activities are considered with a perspective of prevention of all types of accidents and protection of the people at work. To advance a strong safety culture that effectively prevents accidents; we establish local safety and health organizations that provide specialist advice to managers and employees.

We commit to perform systematic identification of hazards and to manage them with appropriate risk assessments and subsequent actions to minimize danger.

- **Continuous improvement:**

Our Occupational Safety and Health management system is based on the concept of continuous improvement. We improve constantly our performance by designing and adapting processes, work practices and systems in the direction of better ergonomics and greater safety.

## **PRODUCTION**

Production involves the process of making the products. The three important classifications in production are Product, Process, and People.

Production is the core and other departments support production.

Checking the Estimated consumer demand and the availability of goods, Cost analysis, Quality checking, Packaging, Application group, Equipment needed, Safety, managing people are all related to Production.

The product produced is chocolates. The production of chocolates takes place in the following procedure:

### **A- Chocolate manufacturing process**

- Ingredients (Cocoa powder, sugar, fats, oil)
- Mixer
- Refiner
- Conch

- Chocolate storage tanks
- Vibro sieve

Supplied to Moulding-D or Enrobing -E

#### B- Praline manufacturing process

- Ingredients
- Z-Arm Mixer
- Stephen mixer
- Praline storage tank
- Vibro sieve

To praline spreading on wafers-C

#### C- Wafer manufacturing process

- Wheat flour, sugar water
- Mixer
- Batter holding cell
- Batter holding tank
- Over for baking
- Praline spreading
- Wafer stacking
- Wafer layer

Supplied to Moulding-D or Enrobing-E

#### D- Moulding

- Mould containing Chocó layer and wafer finger
- Moulded bars
- Cooling
- Falling of de-moulded bars on the conveyor after twisting
- Metal detector
- Wrapping

#### E- Enrobing

- Wafer fingers
- Enrobing of wafer finger with Chocó layer
- Enrobed bars
  - Cooling

- Metal detector
- Wrapping

OR

- Cube cutter
- Panning

## **SUPPLY CHAIN**

Supply chain is divided into:

- Demand and supply planning
- Planning
- Procurement
- Warehousing
- Logistics

The head office in Gurgaon makes the final supply chain plan for 18 months after estimating the demand from various other branches and based on the capacity the factory makes the production plan.

There are three kinds of plans:

- Material planning:

The head office selects the vendors by taking into account the yearly requirements that are given by all the distribution centers to the central procurement team. They make the vendor contract which is a long-term agreement.

They allocate the business based on priority and past performance of the vendor. They also take into account supplier defaults.

A material planner is assigned for the material planning.

- Production planning:

Production plans are based on the capacity, demand, plot size, etc. There is a production planner who schedules the production based on the capacity. Make the production plan which is an input for material plans. Production plan is made weekly which means materials are procured every 7 days.

- Warehouse planning

Planning done to distribute finished goods to the distribution centre. The warehouse planner makes the load plan.

Warehouse team handles the material unloading.

The process of supply chain is:

- Demand from branches
- Planning
- Market planner raises purchase order
- Production
- Process
- Finished goods
- Warehouse
- Release
- Distribution centre

## **QUALITY ASSURANCE**

The quality assurance department is divided into:

- Raw material
- Packaging material
- Net content control system (NCCS)
- Food safety
- Laboratories
- Process QA
- Sensory

**Raw material:**

The Raw material coordinator is responsible for quality, vendor audits which he does along with food safety coordinator and also makes a scheme called QMS or Quality monitoring scheme.



Some types of QMS are RMQMS which is Raw material QMS which is related to guidelines put forward by FSSAI and RMPS or Raw material purchase specification which relates to the Nestlé specific guidelines.

#### **Purchase material:**

This is similar to Raw material but has separate QMS and is coordinated by the Purchase coordinator.

#### **NCCS:**

Net content control system or in general the net weight is handled by the Compliance coordinator who checks the weights by regulatory control points and sets acceptable limits and applies for licenses for the employees.

#### **Food Safety:**

It is a major part of the QA department as everything in the factory is dependent on the food it produces and whether the produced food meets all the safety requirements.

There are several hazards that might occur during the production:

Physical hazards: like nuts, bolts, glass, jewellery, etc.

Chemical hazards: like soap, alcohol, sanitizers, etc.

Microbial hazards: microbes, hair, unwashed hands, etc.

Food safety leader has to take care of all the aspects.

There is HACCP which stands for Hazard analysis critical control point. In the product line, it must be identified what are the points that may lead to hazard.

The process must be mapped, the points that generate hazards must be identified and evaluation of a type of hazard and where it may happen must be done and a frequency must be determined (whether it is a critical control point or just a normal point) and accordingly action must be taken.

E.g.: Metal detectors and metal scrapings on the sieve can be critical control points and measures must be immediately taken to rectify the harm caused or prevent it.

### Laboratories:

Analysis of all the raw materials, all the finished products and semi-finished products and pathogen monitoring is done here.

There are 3 types of laboratories:

#### Chemical laboratory:

All the protein, moisture, ash, particle size, etc. are checked.

#### Microbiology:

It is divided into: General (Lactic acid etc.) and Pathogen (Salmonella).

### Packaging:

All the packaging materials are checked. E.g.: Label declaration, compression, artwork tests, etc.

### Process QA (Quality assurance):

If a quality related incident has occurred like metal is detected in the product, the Process QA must look into the matter. She/he must go the production line to check the defects and they are the ones who take regular rounds in the line.

Process QA is the bridge between production and quality assurance. They release the product and complete the checks before releasing or holding the finished product in case of an issue.

The Root cause analysis is done by the Production QA along with the Food safety, Raw material and Packaging coordinators.

### Sensory:

Under this the department makes sure that the product is looking appropriate like elimination of bubbles, less chocolate, poor molding etc. and whether the taste is also appropriate and feels appropriate like crunch and crispiness and also the coding is right like whether the batch no. is legible, whether the sealing is done, etc.

Nestlé makes sure it is First time right which means it does the production correctly in the first time itself. There is a KQT or keeping quality test in which, the product is tested for 9 months or more (the month until the expiry or more).

In case of the consumer complaint regarding food safety and quality like foreign particles, less weight etc. the product is matched with the product the company is testing and accordingly the complaint will be looked into.

## **CORPORATE AFFAIRS**

CSR or Corporate Social Responsibility is known as Corporate Affairs in Nestlé. It is 2 percent of an average profit of 3 years as per Companies Act 135. It is mandatory and if the company does have the records, it is prone to be dangerous for the survival of the company.

The social activities and benefits provided by Nestlé are:

- Clean drinking water facility:

82 Schools with 54000 beneficiaries

- Sanitation facilities for girls:

Due to no sanitation facilities the school dropout was a lot. Provision of sanitation facilities is given by Nestlé and has helped 105 schools and there are 25000 beneficiaries.

- Nestlé healthy kids program:

This program is conducted for 13-18 years old adolescents. It is a 6 day program in which the students are given a classroom session by trained nutritionists from Goa College of Home Science. The students are tested and quizzed and modules are covered and a knowledge retention test is given. Data about the marks of the students is collected and a report is made and submitted.

- Water awareness program:

45000 beneficiaries.

- Employee volunteering program:

In this program the employees train the students.

28 sessions, 273 volunteers and 4341 beneficiaries

E.g.: 255 volunteers participated in Beach clean-up drive with GTDC, PMC and Dhrishti on World Oceans Day and collected 1480 kg of waste.

After the session, feedback from employees is collected and they are given certificates.

- Street food vendors program

1640 street food vendors are trained and hygiene is taught, licensing is acquired, teach them about adulteration, good cooking methods and provide them with aprons and caps and certificate is given.

➤ Rainwater harvesting

Projects at Goa University which involves 800 m<sup>3</sup> approx. of ground water recharged and at the factory 10,000 m<sup>3</sup> annual water recharged.

➤ Covid-19 Outreach:

Nestlé, Goa donated products worth around 7.4 million benefitting to more than 28000 covid front-line workers like police and hospital staff.

## **ENGINEERING**

This department looks after machines and maintenance and all the utilities of water and electricity.

The engineering department is divided into:

➤ Maintenance

Upkeep of the existing manufacturing set-up and check for alarms and warnings while maintaining the asset.

- Mechanical maintenance: E.g.: Lubrication
- Electrical and automobile: E.g.: Wires
- Filling and packaging
- Utilities/industrial services: E.g.: Civil workers
- Buildings
- Machines

➤ Projects

- Capacity expansion. E.g.: 100 bars to 150 bars
- New product development

## INDUSTRIAL PERFORMANCE

Industrial performance (IP) now known as manufacturing excellence (ME) is divided into 4 parts:

1. Overall equipment effectiveness/Asset intensity
  - Planned stoppage: e.g.: cleaning, inspection
  - Unplanned stoppage: e.g.: breakdowns
2. Manpower standards
  - Line standard
3. Capacity planning: analyze capacity of the production and determine whether more production can be handling or not & accordingly they plan the production.
4. Total Performance Management (TPM): there are pillars like AM, PM, ENT, SE, etc.

In AM (Autonomous Maintenance) they train the operators to maintain regular cleanliness and see that there are zero machine breakdowns



## Chapter 5

### LEARNING'S DERIVED

The organization study has been carried out at Nestlé India Ltd for my betterment I had study the all the departments and their role in the firms. I have got a great opportunity of taking the test for the selection & Recruiting process and also verifications of the documents for the post of fitter electricians and so on. I had done the work like arranging the forms & also type the forms like form 25 & Form 4 i.e. Annual report

By Nestlé I have undertaken two projects under me the one was on Induction Process in this I study on-boarding in detail and learnt about the various on-boarding touch points. Other one was on Automations while working on it I got many learning's which is helpful for my future.

#### **Automations:**

In automation I had took two projects.

First was automating the birthday message (email) to the entire employee. If employee is satisfied then he/she will work at their level best. So I find out some of the ways like one small step can be wishing them on their birthday. As there are more than 700 employees in Nestlé India Limited. For this automation email system will be good option then sending manually individual mails.






The second one is about the complaint management system. Nestlé use no technology as such & use papers for registering the complaints so; I have planned the automation complaint -> resolving complaint. MS form is the best for receiving the responses. I wanted to make it less confusing process & as easy as possible. So I had planned to stick the QR code of the form and to place that in the canteen area the place where everyone frequently goes. After scanning this it will directly redirect the user to the MS forms which is use for registering the complaint which is related to any departments. And accordingly it will be resolved by the concerned faculty.

## **Induction process:**

### On-boarding touch-points

A good on boarding programmer includes orientation, job specific training, introductions, and follow-ups.

The following checklist guided the discussion with the HRBP

-  Pre on-boarding
  - Welcome emails/messages
  - Introductory call
  - Helping new hires checking their paperwork
  - Pre-boarding checklist
-  First day
  - On-boarding guide
  - Introducing supervisors & co-workers
  - Computer login, key cards etc
  - Nestlé policies
-  Orientation
  - Work tour- organizational structure
  - Job expectation & duties
  - Nestlé Culture
-  Training
  - On-site training
  - Using a learning management system
  - SMART goals
-  Performance
  - Evaluation
  - Give feedback
  - Take feedback (throughout)

## **Management Process:**

There are various other things which I learnt from the organization through observations from the perspective of five management function that is Planning, Organizing, staffing, directing & controlling.

**Planning function** is about setting an objective plan in order to archive the goal of the company. The Nestlé India Limited Company also has set their vision & mission which they want to archive in order to maintain their market position. Also, each department has their own objectives and goals. To attained this goal they set plans for the whole year such as Finance department set budget and plan for the whole year and made changes as the month exceed.

**Organization Function** is about the structure of organization. The company has their respected organization structure which looks after the function of the firm. Apart from this each department also has the structure. Through this I learnt that organization structure helps in maintaining the unit of command as it shows who will report to whom in order to avoid the miscommunication.

**Staffing function** is about hiring the right person for the right job. Selection process is done by HR department. It is important for the organization to hire the right person for the right job and provide good benefits to the employee .In order to retain them. Having the right Human Resource helps in utilizing the resources in better way

**Directing Function** is all about directing, guiding & inspiring the employee. The organization structure plays an important role in directing function as it helps in instructing, guiding and motivating the sub-ordinate. There are continuous virtual meeting that the superior head conducts with the sub-ordinate employee to guide and take their updated.

**Controlling Function** is about taking the updated and measuring the progress of the work done whatever was planned. The company conducts frequent meeting, audits in order to measure whether the company is functioning as per the goals or not.

Together I got to learn how each management functions perform in the company in considering every aspect of the company & department. Apart from this I also learnt about the importance of continue communication with the stakeholders. A good flow of communication helps maintaining the transparency with the customer as well as stakeholders.