



Highlights Of Industry Specific 'TOPSPIN' ERP Solution

The objective of this document is to highlight how industry specific application can generate Business Intelligence [BI] for drastic improvements rather than incremental.

System Configuration:

This allows tight integration amongst accounts, excise, store, raw material, sales and personnel departments so that the required data may flow automatically and ensure de-compartmentalization.

This also helps to produce instant information and abolish communication gaps amongst the department irrespective of their locations.

Creation Of General Masters:

The application allows market segmentation country, state or station wise with respect to sales, procurement and employees hired. ☐ The application is suitable for corporate structure where the company and its subsidiary may be created and linked. ☐ The currency master allows the application to become multi-currency with exchange rates for convenient conversions into local currency.

Plant Set-Up

The system allows to create different assemblies unit and location wise. ☐ System maintains database of different type of machinery with respect to their location, section and erection details indicating their make, model capacity, output, delivery units, date of commissioning and expected life etc. ☐ System also maintains database of machine settings with respect to their sections, type of settings and specific setting standard values per unit.

Creation Of Fiber & Yarn Master:

Textile industry has 'n' number of variables with the huge variety of fiber and yarns. Fiber may be Natural or manmade. Natural fiber consist cotton, wool, hemp, jute, silk etc. If we talk about the cotton fiber alone it has different types of ginning e.g. roller gin [RG] saw gin [SG].

The cotton variety purchased may have a different name in the market while the technicians used appropriate name in the production department.

The cotton fiber contribute 60% to 70% of the cost of the finished product i.e. yarn in the spinning industry. The cotton fiber quality abbreviated as FQI primarily controls the quality of cotton yarn [index termed as YQI] while the rest is controlled through process parameters.



FQI calculations are dependent over various fiber characteristics that in case of cotton being a Natural fiber vary from one location to another having different climatic conditions. This could be better understood with the illustration that the same variety of cotton fiber may have different characteristics in the state of Haryana one compared with the Rajasthan or Tamilnadu in the India.

Hence, cotton fiber selection and procurement play a very critical role considering its implication over the cost and quality of yarn.

In the industry specific 'TOPSPIN' ERP solution provisions to address such procedures are adequately addressed.

The creation of yarn product master is also highly critical. This is because yarn may have different type of count system like Ne, Nm, ply, blend proportion. The cotton yarn may be carded or combed and may have different end uses like hosiery, weaving or twisting. The cotton yarn also attracts excise levy in different percentages and hence their cauterization in terms of chapter heading is also required. Yarn quality name may have different displayable name and short name for the convenient usage throughout the product life cycle right from different stages of production up to marketing and sales.

The cotton yarn may be slub yarn with respect to size, code, color, types having different parameters and their values.

Industry specific 'TOPSPIN' takes cares of all such requirements in totality.

Budgeting:

Every Industry has its own procedure with allocated cost of elements to arrive at the product cost. Budgetary controls are important to restrict cost variations so that the organization may gain profits and break even must be evident.

Under this scenario, the raw-material [fiber] and the finished product [yarn] nomenclature with respect to their different varieties, coding system, manufacturing and selling pattern must be considered properly to arrive at the specific budget.

'TOPSPIN' industry specific ERP solution has the provisions for following types of required budgets suitable for the spinning of yarn:

1. Sale Budget
2. Production Budget
3. Raw-Material Budget
4. Store Consumption Budget
5. HR Budget
6. Power Budget
7. Financial Expenses Budget

In order to elaborate the industry specific requirement, let's take the illustration of production budget.

First of all the application must have the provision for particular type of machinery having a defined production rate e.g. in ring frame section the ring frame no 6 of one make may have different production rate defined as gms / spindle shift [GSS] if compared to ring frame no 27 of a different make.



The data of GSS in production budget is derived from budgeted production norms which is dependent on actual count, spindle speed, efficiency, utilization, twist multiplier [TM].

Hence, in the industry specific application the budgeting has to address various industry norms and procedure and a set of general rules cannot address the requirement.

This is the illustration of ring frame machinery while carding, draw frame, comber, speed frame, auto-coner have different variables to address with.

Similarly, in addition to the production budget discussed as above there are mixing, waste, raw-material consumption budgets in specific and other in general have their own industry regulated requirement.

Costing

Contribution is the difference between yarn sale rate and total variable cost. In order to workout yarn count wise contribution there are many industry specific data required. Namely: yarn recovery percentage, productivity, landed cost of fiber used that too clean raw-material cost [gross raw-material less waste realization] for the spinning along with destination wise ocean freight, local freight, credit period interest etc. etc.

Supply Chain Coordination

Supply chain begins with the bill of materials, procurements, production and ends with sales.

Bill Of Materials:

In the spinning industry the major bill of material consist identification of raw-material requirements in consideration with yarn realizations. Since, the production plan is determined count wise, the fiber requirement is also generated with a sum of count wise requirement adding waste percentage.

Procurements:

Industry specific 'TOPSPIN' ERP has separate procurement module for raw material and stores.

The raw-material bargains require specific information as cotton is a Natural fiber. Hence, the information of cotton variety is preserved with the database ginner, selector and station wise to evaluate the performance. The cotton procurement requires approval of the pressing date and pres running number and therefore the bargain should consist procedures to document the same. There are certain spot expenses, sorting charges, go down rent etc. along with other taxes and duties applicable to be entered while finalizing the bargain. Further, cotton fiber is procured in bales and issued to the production mixing section in bales.

Hence, a separate raw-material procurement module is provided.



Marketing & Sales

TOPSPIN ERP takes care of different type of sales. Namely:

- **Export sales**
 - Direct export
 - Merchant export
- **Domestic Sales**
 - Domestic yarn sales
 - Yarn sample sales
 - Waste sales
 - Scrap sales

Marketing & Sales begins with sales contract and consist following activities:

- Customer sales contract with contributions
- Production order,
- Dispatch Instructions
- Packing list
- Invoice
- Sales voucher
- Posting in concerned a/c ledger