



## eXensys Micro Vertical Solution

Micro-Vertical – Milk Products

# Agenda

*Industry Overview*

*Industry Characteristics*

*Key Processes 'n' Challenges*

*eXensys Best Practices*



# Industry Overview

## Micro-Vertical – Milk Products

The highest milk producer in the entire globe – India boast of that status. India is otherwise known as the ‘Oyster’ of the global dairy industry, with opportunities galore for the entrepreneur globally. Anyone might want to capitalize on the largest and fastest growing milk and milk products’ market. The dairy industry in India is witnessing rapid growth. The liberalized economy provides more opportunities for MNCs and foreign investor to release the full potential of this industry. The main aim of the Indian dairy industry is only to better manage the national resources to enhance milk production and upgrade milk processing using innovative technologies.

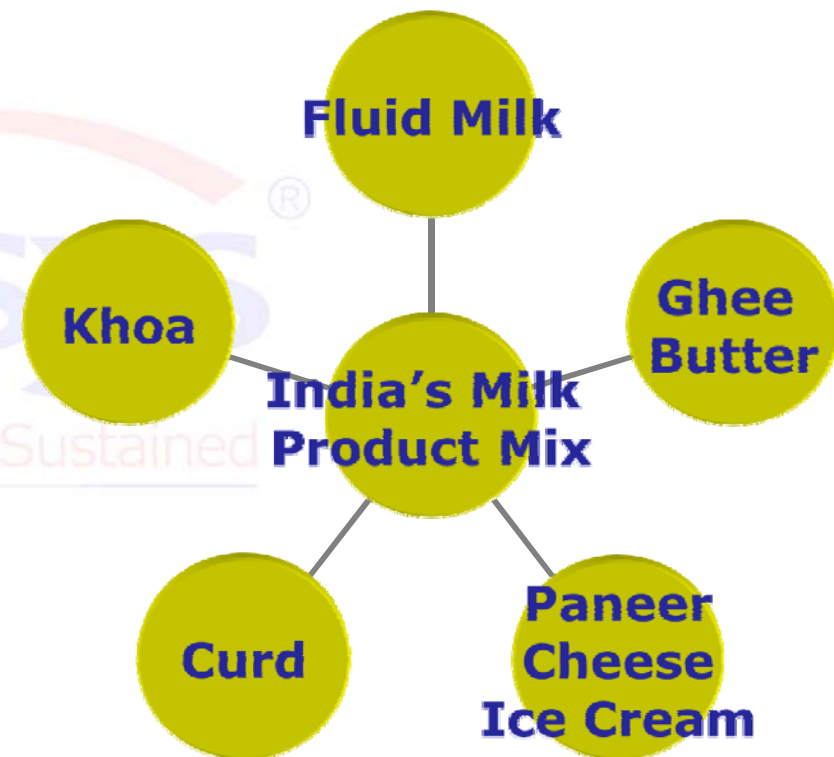
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# Industry Characteristic

## Micro-Vertical – Milk Products

- Raw milk handling in terms of physiochemical and microbiological properties in a combined manner. The use of clarification and bactofugation in raw milk processing
- Milk processing: Better operational ratios to improve yield and abridge waste. Adoption of GMP (Good Manufacturing Practices) and HACCP (Hazard Analysis Critical Control Points)
- Packaging: Packing machines for the manufacturing of butter, cheese and alike.
- Cold chain distribution system for proper storage and transfer of dairy products.
- Value added products: Vast scope of value added products like desserts, puddings, custards, mousse, stirred yogurt etc





# Key Processes 'n' Challenges

Micro-Vertical – Milk Products

## Key Processes

- Recipe Management (Production/Packaging)
- Milk Processing
- Research & Development
- Quality Control
- Inventory and Logistics
- Chilling Plant
- Preventive & Breakdown Maintenance

## Challenges\Pain Areas Business Performance Sustained

- Customers requiring different Packaging for the same item
- Poor Management of Items with different concentration levels
- In-Efficient Inventory Management for shorter shelf life
- Improper Handling Customer complaints
- Lack of integration between departments
- Non-Meeting Customer Demands viz., Low Price & Tight Delivery Schedules

# eXensys Best Practices

## Micro-Vertical – Milk Products

S.No	Pain Areas	Why do companies fail?	eXensys Best Practice
1.	<ul style="list-style-type: none"> <li>➤ Customers requiring different Packaging for the same item</li> <li>➤ Managing Items with different concentration levels</li> </ul>	<ul style="list-style-type: none"> <li>➤ Lack of proper recipe management</li> <li>➤ Lack of awareness on product specifications</li> </ul>	<ul style="list-style-type: none"> <li>✓ Separate Recipes for Production and Packaging</li> <li>✓ Recipe Management as per Potency factor</li> <li>✓ Flexibility to Issue item with different concentration factor if the required concentration is not available</li> </ul>
2.	Efficient Inventory Management for shorter shelf life	<ul style="list-style-type: none"> <li>➤ Improper administration of warehouses</li> <li>➤ Poor inventory valuation methods</li> </ul>	<ul style="list-style-type: none"> <li>✓ Accurate inventory visibility</li> <li>✓ Multi-level warehouse structure</li> <li>✓ Inventory Issues based upon FIFO strategy</li> </ul>
3.	<ul style="list-style-type: none"> <li>➤ Handling Customer complaints</li> <li>➤ Lack of integration between departments</li> </ul>	<ul style="list-style-type: none"> <li>➤ Lack of Lot recall system</li> <li>➤ Lack of metrics &amp; tools that aid in decision making</li> </ul>	<ul style="list-style-type: none"> <li>✓ Lot Recall report for identification of lots of Raw Materials for a finished good</li> <li>✓ Real-time update of accounts and other key processes on invoicing, returns etc</li> </ul>
4.	Meeting Customer Demands viz., Low Price & Tight Delivery Schedules	<ul style="list-style-type: none"> <li>➤ Lack of control on operation and its costs</li> <li>➤ Poor Production planning</li> </ul>	<ul style="list-style-type: none"> <li>✓ Available-to-Promise and order confirmations</li> <li>✓ Accurate data for manufacturing decisions through strong planning on machine utilization, online WIP components costing</li> </ul>

