

Roadmap ERP catalyzes public sector organizations to digital self-sufficiency – A Case Study

BRIEF INSTITUTIONAL PROFILE

Incepted in 1951, an autonomous scientific research organization bears witness to an ongoing legacy of textile research, consultancy services, and training. This textile research association houses eminent textile visionaries, member textile units, groundbreaking scientists with the support of the Ministry of Textiles, Government of India. Sprawling over a splendid campus in Coimbatore, it's one amongst the leading chain of laboratories in the country. The needs of the power loom and knitting sectors in South India are primarily being attended via service centers established through the valuable efforts of this organization. Some of the groundbreaking works include the Design & Fabrication of fabric extraction plants from pineapple and banana fibers gaining world-wide recognition in their long-running work portfolio. Their representative mills are spread from Bangladesh, Indonesia, Iran, Nigeria to Sri Lanka, Nepal, and Thailand.

INFRASTRUCTURE & BEST PRACTICES – AN OUTLINE

This public sector research organization is equipped with a range of sophisticated textile testing instruments and modern machines acknowledging it to be the top-notch textile facility in the world. It is home to the finest chemical laboratory - capable of composition, wet processing & sludge analysis, CoE Meditech - processing section with testing instruments capable of spectroscopy, chromatography and so on, Engineering & Energy Cell, Physics laboratory – comprising of fiber, yarn & fabric testing instruments, weaving & knitting laboratory – full of looms & sewing machines and a pilot mill. This rich experience has led in formulating textile norms & standards known to have sold 30,000 copies worldwide. The breakthrough patents include woven arterial prosthetic graft for human implantation, production of yarns from pineapple leaf fiber to an extensive list of 64 patents to their name.

MOTIVATIONS TO GO FOR ROADMAP ERP

The institute is known to have been using an in-house developed software system partially based on FoxPro (front end) & Oracle (back end) along with outsourced web-based software, Lab Information Management System (LIMS) exclusively for the Physics Department. However, the organization doesn't follow streamlined suppliers & customers classification making the financial transition of suppliers acting as customers strenuous – raising the following shortcomings:

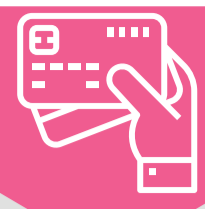
- ❖ Lack of maintenance of payment terms.
- ❖ The obstructed financial transition of suppliers & customers due to the maintenance of individual suppliers & customer accounts with no credit limits.
- ❖ Absence of project-specific budget utilization statement (year-wise).
- ❖ Manual creation of supplier offsets, Debit & Credit Memos and Purchase Requests.
- ❖ The need for formulating aging parameters for enabling seamless due date calculations.
- ❖ No generation of expenditure & partner-wise statements, Performance & MIS reports and TDS reports (consolidated & department-wise).
- ❖ Ambiguous item categorizations solely based on item description without adoption of re-order level and re-order quantity.
- ❖ Lack of chronological backup of members.
- ❖ The complicated raising of Billing Requests.

To rule out the shortcomings encountered, the institution realized the dire need for a productive ERP solution and called for suitors. Amongst all the ERP solutions that responded to the organization's call, Roadmap ERP was finalized to be an economically & technologically viable system deemed to cater to each one of its shortcomings.



THE SHORTCOMINGS ADDRESSED BY ROADMAP ERP

1



Accounts Payable Management

Challenges

- Screening individual supplier was cumbersome because all the suppliers were grouped together in the general category along with machinery, raw materials and more in a Universal Suppliers Master with no provision of periodic ledger statement releases to the suppliers.
- The payment terms weren't maintained making it almost impossible to calculate supplier due day details.
- A single account was maintained for sundry creditors & suppliers acting as customers with the absence of advance type accounts.

Technological remedy

- Roadmap devised a provision of grouping the supplier's into service, material & service/material in the Universal Suppliers Master with the provision of ledger statement releases once in 3 months to the suppliers.
- A unique feature of calculating the due day details of the supplier were introduced in our ERP.
- The solution of opening a separate advance type account & single account for suppliers acting as customers was considered to be the best way out.
- Sponsored projects in the institution weren't affected by trial balance; as a result, optimized report generation was facilitated yielding summarized project-specific budget utilization statement, Debit & Credit Memos with other relevant reporting's.

2



Accounts Receivable Management

Challenges

- No defined customer classification & credit limit benchmarks were reserved.
- Manual Offset was being followed by the organization for invoicing on the Adhoc receipts.
- Lack of category wise service tax breakup.
- The aging period of the product wasn't given due importance.
- Customer Reconciliation Statements were generated manually by comparing the customer payment details maintained in Excel sheet with SITRA payment details for every quarter.

Technological remedy

- Customer classification was initiated by Roadmap into the categories of Member, Non-Members, TSC and Students with manual selection for multi-address billing options for a single customer organization. Credit limit benchmarks were exclusively reserved.
- A unique feature of automatic & manual adjustment was provided alongside the customer wise offset details.
- Category wise service tax breakup was brought in action with automatic adjustment for input credit & output service tax.
- The concept of aging was brought into action by devising parameters based on respective customer due days, modules balance and ledger balance.
- The Customer Reconciliation Statements were featured to be released automatically.
- Additional reporting was initiated to produce service tax & TDS reports, individual debtors & Group mill wise statements and so forth.

3



Inventory Management

Challenges

- The item inventorization was done solely on the basis of the item description fostering ambiguity.
- No adherence to re-order level and re-order quantity.

Technological remedy

- The provision of Item Codes was introduced for seamless item inventorization.
- The concept of the critical level was introduced by Roadmap. The critical level was a determining factor when the material was out of sufficient stock, indents were raised automatically. As a result, a lower limit benchmark was fixed for the item-wise re-order quantity.

Massive reporting mechanisms were activated due to the organization's request in general and ensured digital transparency in specific. Financial year-wise & performance statement, Government funding advance schemes list, fixed quarterly asset addition & deletion report, HR Budget are few amongst the long list of reporting mechanisms put in place. Roadmap ERP was integrated with the LIMS Server for ensured data output in the Physics Department.

PURSUIITS OF IMPLEMENTATION: THE WAY FORWARD

The integration of Roadmap full-suite ERP with the existing business workflow of the public sector research organization has led to making the organization wholesome with enhanced transparency and reporting – from bottom to top. The best-in-class ERP solution provides real-time data awareness streamlining inventorization, testing & reporting for inclusive decision making. After all, Roadmap ERP proved to be just the right technological remedy for all its organizational shortcomings.



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