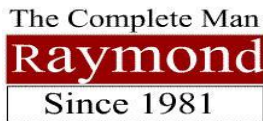




1KEY Business Intelligence Customer Case Study



Comprehensive Financial Consolidation Solution Addresses Legal & Management financial reporting Needs of Raymond

Overview

Country or region: India
Industry: Textile, Engineering, Aviation

Raymond
Mumbai, INDIA
www.raymondindia.com

Revenue: ₹15.7bn (FY11 approx)
Employees



Vivek Kale
CIO
Raymond

I.T. Infrastructure

Enterprise Applications

SAP ECC, SAP AFS, IS Retail, IS Mill, WMS,
BI, Net-Weaver/ MS SQL Landscape, MS
Navision and .NET applications.

Database

Sybase, Excel sheets, SQL Server 2005

Data Warehouse:

Sybase

Business Intelligence

1KEY FCM, Biztalk Adapter

Raymond accelerates cycle closing and improves quality of financial reporting with 1KEY FCM

'1KEY FCM helped us in reducing the consolidation, close and reporting cycles by days or weeks and deliver timely results internally and externally.'

- Vivek Kale, CIO, Raymond

Incorporated in 1925, Raymond Limited has transformed itself from being an Indian textile major to a global conglomerate within a span of few years. Few companies globally have such a diverse product range of nearly 20,000 varieties of worsted suiting to cater to customers across age groups, occasions and styles. Today, they are one of the largest players in fabrics, designer wear, denim, cosmetics and toiletries, engineering files and tools, prophylactics and air charter services in national and international markets. The Raymond Group also has an expansive retail presence established through the exclusive chain of The Raymond Shop and stand-alone brand stores.

'The major challenge was to satisfy the functionality and cut compliance costs to deliver a single version of the truth through the Web to improve internal and external transparency.'

- Vivek Kale
CIO

'1KEY FCM solution implemented has reduced the effort and pressure on the Finance team greatly. Where 2-3 weeks time was taken to arrive at results, now just take around 2 days'

- G. M. Jain
Director - Finance

Challenge

Raymond Limited has many group companies, Joint Ventures, Indian & Foreign subsidiaries and Associate subsidiaries. As such, they are all supported by heterogeneous IT solutions and platforms like SAP, APT-Sybase, PB-Sybase and even Fox-Pro besides simple MS Excel. Also since Raymond is a listed company it needs to publish their figures and thus wanted to bring in a system which would fulfill the statutory requirement for the company. Raymond has around 11 profit centers and 27 legal entities and thus required a common mapping of the masses across the organization. Group Financial Consolidation was a quarterly nightmare to come out with various financial applications being operative at all these companies. Financial data came from SAP, Sybase and Excel sheets and consolidation was on Excel sheets. There used to be iterations of Excel sheets and control over them was very tedious. Accounts team had to spend lots of days in coming out with the results.

Traditional Methodology

Group level consolidation needs to be carried out for 17 subsidiaries. Results have to be reported every quarter and consolidation was needed for the same. SAP has been operational in Raymond since 2007. There are areas and small companies; however that are not on SAP platform. There was a need for a place where SAP and Non SAP Company's performance could be consolidated.

A few of the group's subsidiaries were using legacy systems. Although Raymond needed to consolidate the information, because of historical reasons, the accounts were different. At every stage it had to get the current consistent data and it was important to do mapping to ensure

that this happened. If mapping is done, only thing needed was to do posting. The statutory reporting requirements including MIS had to be handled. Collecting, integrating and cleansing data was the first step followed by mapping it consistently. The requirement was to take care of reporting for both statutory reasons and for performance.

Why 1KEY BI

Raymond selected 1KEY FCM because it provided us with financial reporting services at cost-effective price, faster turn-around, correct and user friendly solution for both Individual company-wise Financial results as well as Group Financial Consolidation. Benefits realized from 1KEY FCM were:

- Transparent consolidated financial reporting for internal and external auditors
- Integrated easily with our existing ERP system SAP and other home grown ERP system
- Detailed journal and audit capabilities
- Effortless generation of reports
- Maintenance of Data Reporting standards

Evaluation parameters

IT team at Raymond looked for various optional financial reporting solutions like developing in-house, ready-made products & outsourcing, but selected 1KEY FCM based on its ability to:

- Integration with SAP and other ERP solution
- Ease of Use
- Detailed journal and audit capability
- Providing business insight
- Reporting standards supported

'Tomorrow, if there are any structural changes in the group, we have the flexibility on what we want to report to what level and in what format. We have had BI/analytics/reporting for decades. However, it is much easier to think about this with a data warehouse. It is easier for accounts people to understand. For people who are still comfortable with spreadsheets, the data can be taken out in the format that's Excel compatible.'

- Vivek Kale
CIO

This FCM combined the power to unify all legal and management financial reporting needs with the ability to blend corporate control with local flexibility.

Raymond set up an appropriate co-ordination between the IT and the business processes; thereby improving the alignment between these two activities resulting in more value out of the technology. Indeed FCM further helped in reducing the consolidation, close and reporting cycles by days or weeks and deliver timely results internally and externally. It has also improved the data quality to achieve confidence in the numbers of a full audit trail for statutory and regulatory compliance.

Luricative Features of 1KEY

- Easy deployment of reports
- Dynamic reporting
- Expeditious sharing of reports via web
- Numerous features at cost effective price
- Smooth connectivity with SAP
- No scheduling as users are given the access to run their own reports

Implementation Plan

The project started in April 2010. MAIA Intelligence worked along with Mondial Consultants on the project. Internal team size consisted of 3 members. 1KEY was connected with SAP using Biztalk connector. Other ERP systems used in subsidiaries were also connected. MAIA team along with Mondial consultants and internal Raymond team worked together for 4 months. Project ended in September 2010. Fanatical attention was given to quality and performance. Finance department was the major beneficiary of

this implementation. Demo/Training was given to the finance department users on how to generate reports on 1KEY.

After Implementation

A parallel run was carried out for the data that was already done last year. Then that data was replicated to get results that were the same as last year. Now before closing of books, real time consolidation is carried out and results are released.

As mapping has been done, any report can be generated with required flexibility. Even if there is any structural change in the group, there is flexibility to report what we want to what level and in what format. Raymond has had BI/ analytics/ Reporting for decades but it has become much easier with a data warehouse. It is easier for accounts people to understand. For people who are still comfortable with spreadsheets, the data can be taken out in the format that's Excel compatible.

Benefits

1KEY Financial Consolidation Management (FCM), a complete data warehouse (DW) model with standard statutory reporting requirements for publishing financial statements and with extensive analytical reports. Raymond now looks on 1KEY as single system of financial queries and derives following quantitative benefits:

- Improved Operational efficiencies by reduction in time for declaration of financial results from 12 working days to 3 days. i.e. 75% reduction in timeline.
- Reduction in resources (manpower) engaged in Financial Consolidation from 12 to 3 days, i.e. 75% in manpower nos.

Qualitative Advantages

The following have been the Qualitative advantages of FCM implementation:

- Right First time - The data is automatically extracted from source databases without any manual interventions.
- Version control - FCM's another contribution is avoidance of maintaining multiple excels sheets (results of each company, joint venture and other subsidiaries) and various versions of the same. Any small change at consolidation meant change backwards on all corresponding excel sheets. Multiple versions raised confusion as to which version is correct
- Person Dependency - With FCM, person dependency has greatly reduced
- Risk Mitigation - Auditors were always objecting to authenticity and time to come out with results. Using 1-Key solution has the acceptance from Auditors since the data is automatically extracted from source databases, and time to declare results too has come down.

For More Information

For more information about MAIA Intelligence products and solutions, call Sales Information Center at: (+91) 022 668 88 999 or e-mail us at: sales@maia-intelligence.com. To access information using the Website: www.maia-intelligence.com

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- Automatic extraction from source databases without any manual interventions
- Avoidance of maintaining multiple excels sheets (results of each company, joint venture and other subsidiaries) and various versions of the same. Track key business metrics to improve your operational performance
- Keep system integrity at highest level
- Create ad-hoc and management report quickly and easily

1KEY FCM eliminates the potential errors and reduces time spent on repetitive manual processes with its multi-currency capabilities, automated calculations and adjustments, and other features that address accounting and regulatory issues.

1KEY FCM is a highly effective yet user-friendly, intuitive solution to manage financial consolidation and group reporting process. It also helps to avoid common pitfalls in consolidation process, and move on to develop more structured, efficient and highly sustainable solutions. By working through the detailed steps in each process, CFOs can now have an effective suite of solution that simplifies and automates FCM process into just a few clicks on buttons.

Return On Investment

- Improved Operation efficiencies by reduction in time for declaration of financial results from 12 working days to 3 days i.e. 75% reduction in timeline
- Reduction in resources (manpower) engaged in financial consolidation from 12 to 3 days i.e. 75% reduction in manpower nos.

Support & Service

MAIA Intelligence has been providing tremendous support as and when needed. MAIA along with Mondial has trained the finance team at Raymond on development and administrative support perspective.

Users of 1KEY FCM

- Top Management
- Business Analysts
- Financial Team
- Auditors

Conclusion

This is an unbelievable success story. FCM has undoubtedly helped Raymond in effectively setting up a system for consolidated reporting of financial statements of tremendous importance. It has helped avoid common pitfalls in generating reports compatible with local and international standards. By working through the detailed steps in each process, CFO can now have an effective suite of solution that simplifies and automates FCM process into just a few clicks. 1KEY FCM has brought about a revolution in the way of financial reporting.

FCM has been implemented successfully at Raymond across all of its subsidiaries and all the older legacy systems have accordingly been discontinued.

Future Roadmap

Raymond plans to incorporate the next level of detailing into the system like budgeting, variances etc.