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- S Mahesh, Director, Maha Electronics

## Tally.ERP 9 brings transparency into finances for IT Service provider

### CUSTOMER OVERVIEW

A small group of Engineering professionals who served in the Indian Air Force for 15 years founded Maha Electronics Private Limited (MEPL) in 1994. With the rich Electronics and Communications experience gained from the Air Force, the company soon grew to become one of the leaders in the servicing industry.

MEPL is an Authorised Service Partner for Hewlett Packard (HP) for the entire South India, having service centers in more than 30 locations across Andhra Pradesh, Karnataka, Tamil Nadu and Kerala, and Head Office in Hyderabad. The company has over 600 employees who are trained to provide quality service to their clients.

The typical business process starts with the customer walking into the Service Center with a non-warranty HP product and ends with payment to HP. The company collects a non-refundable investigation fee from the customer. The

product then goes to the technical department for inspection. A quotation containing a unique 'case id' generated by HP, is raised for both spare parts prices and service charges.

The customer list includes H.P, Agilent Technologies, Microsoft and many reputed Labs, Teleservices, Insurance companies and Banks.

### BUSINESS CHALLENGE

The company lacked control over its financial situation across all the service centers. The profitability of each location was not easily available. Earlier, the items were selected for servicing based on Part number, yet the company did not want the price to be printed on the sales order/invoice. The service order / quotation needed to show part price, service charges and discount and the suitable VAT calculation, which could vary between 4 and 12.5%.

Multiple parts were often printed on a single service order/ quotation with various discounts applicable. Special approvals usually resulted in reduced prices and hence pro rata service charges and applicable taxes. An option to view the specially approved cases where discounts were on the higher side was one more requirement. Tracking of import of fast moving items with the view on exchange rates and non-exchange price parameters became essential.

Though the company had the globally generated 'case id' number which is unique for a specific order, they had a tough time in consolidation of Data from all the locations. The requirement was to get the data from all the locations to the Head Office, it was not happening due to lack of proper system. The stock tracking was another painful point. There were orders with special prices which were difficult to keep record. The rejection report could not be updated easily.

The management at Maha Electronics also wanted to streamline the accounting process to align with their unique operational process.

## THE SOLUTION

KGR Infotech, Hyderabad, a Tally Partner came up with a feasible solution. Mr. Shanker—CEO at KGR Infotech, says, "The features of Tally.ERP 9 have been completely utilised. Over and above that, the requirements of Maha Electronics were also added on. We are proud to say that we took just 8 days for complete implementation which reiterates the tag line of Tally.ERP 9—Power of Simplicity".

Tally.ERP 9 was implemented across 28 locations and synchronized with the central location. The Group Company feature lets them grasp the profitability and financial position of each unit, individually and as a group.

Invoice and purchase order were customised. Provision is made to enter the item price (specifying whether the item is billed at Exchange price or Non – Exchange price), multiple discount, service charges and other tax information.

The sales order/ quotation is converted to an invoice based on 'case id' / order number and all the fields in the invoice are mapped to those in quotation. Quotations which are raised and later rejected are converted to rejected quotations. When quotations are viewed, provision is made to view only the quotations which are pending but not the rejected quotations. Unique 'case id' report has been developed, which shows whether the sales order is an optional order or a regular order.

For specially approved cases, where discounts are more than normal discounts, a provision has been made to convert the standard sales order to a specially approved order. It can also be filtered and viewed separately from the whole set of sale orders.

Items along with their descriptions have been imported into Tally.ERP 9. The flexibility to work with fluctuating prices comes via a customised solution that permits the import of prices from Excel. A predefined format includes details of exchange and non-exchange price of each item created in Tally.ERP 9 at any given point in time.

A User Defined Field for 'case id' has been created in all the processes including sale order, invoice, receipt, purchase order, purchase and payment. A report based on 'case id' has been developed to show the date, customer name, voucher type, and amount based on 'case id'. At any point in time, receivables statement, and branch-wise bank/cash balances and a consolidated statement are made available in Tally.ERP 9.

Mr. S. Mahesh of Maha Electronics signs-off saying, "Tally is a simple and easy-to-use software. The data synchronisation feature is excellent as we get to know the updates of transactions happening at our remote locations, at regular intervals".

## BENEFITS

- Easy to use
- Instant profitability across locations
- Multi tax and discount structure in one invoice
- Control over each remote centre