



“The bottom line of the business for the particular month is now easily known. For a growing company like ours, the customisation is a huge transformation, thanks to Tally.ERP 9”

- R. Sabesan, Vice President Finance, SPI Cinemas Pvt. Ltd.

## Cinema and entertainment business reels in better productivity and profits through Tally.ERP 9

### CUSTOMER OVERVIEW

Sathyam Cinemas, a brand of SPI Cinemas Private Limited, is Chennai's hottest entertainment destination for people from all walks of life. Sathyam Cinemas strives to be at the forefront of showbiz, often bringing new entertainment technology to customers first. It was the first exhibitor in India to introduce 2K digital projection technology with its brand RDX, and the first to convert 100% of its screens to digital. It went one step further and introduced digital 3D in RDX; Sathyam continues to push the boundaries of entertainment.

Sathyam Cinemas is centrally located off Chennai's arterial Mount Road. As the business network expands, the related entertainment verticals are also set to grow as more screens are added. The Company is set to experience significant growth in the immediate future and cement itself as a mainstay of entertainment in South India.

The company is in business for over 30 years and operates two multiplexes in Chennai, with a total of 14

screens. It started as a proprietary concern, evolved into a partnership and today it is a corporate. Sathyam Cinemas is currently expanding its network of destination multiplexes through premiere retail developments in South India, as well as developing other entertainment verticals in the area of Film Distribution, Film Production, Film related Music, Gaming entertainment, Food and Beverage and Advertising and Print media. The company has been using Tally since early 2002.

### BUSINESS CHALLENGE

With operations straddling multiple segments, each needed to become a profit center. Manual reporting lead to many errors, especially while transferring data to Tally. The time consumed in making the reports was very high. The need to split the profits vertically was very logical but was difficult to implement. Despite spending a good amount of time, the audit and management reports were just not feasible.

The accounting of its advertising revenues posed another problem. While the company followed the April to March

Particulars	Debit	Credit	Balance	Debit	Credit	Balance
<b>Income Statement</b>						
Revenue		1,00,00,000				
Cost of Sales	40,00,000		60,00,000			
Expenses	15,00,000		45,00,000			
Profit		45,00,000				
<b>Expense Statement</b>						
Salaries	5,00,000					
Utilities	2,00,000					
Travel	1,00,000					
Depreciation	1,00,000					
Interest	1,00,000					
Income Tax	1,00,000					
Profit		45,00,000				

Month-wise income and expense statement (Indicative values)

accounting period, its hoardings/advertisement operations ran according to different timelines. Staggered dates did not necessarily follow the monthly pattern. Often, display and invoicing periods did not match. The accounting of the other verticals was month-wise. The vertical-wise profit and loss reports were needed regularly.

### THE SOLUTION

Mr. G Pasupathi of Ganapathi Tally Technologies, a Tally Partner in Chennai, was invited to customize Tally.ERP 9 by Mr. Sabesan, who briefed them on the requirements.

Mr. Sabesan happily exclaims, “We spend less time preparing reports, and are left with more time to understand and act on the intelligence they contain. The bottom line of the business of a particular month is now easily known. For a growing company like ours, the customisation is a huge transformation. Earlier, it would take enormous efforts to attempt to generate MIS and auditor reports, but at the end of the day, we were left with none. I am happy that we know the reconciliation at the end of the month. All because of Tally.ERP 9 and Mr. Pasupathi.”

Mr. G Pasupathi enthuses, “It was a challenge to design consolidated income and expenditure statement for one month in a single sheet. But with the logic suggested by the team of Sathyam Cinemas, it was done successfully. I am happy that it is very useful for the company.”

Mr. V Thiyagarajan Asst. Manager - Finance adds, “We have witnessed a 50-60% increase in manpower productivity due to customisation of Tally.ERP 9. Time conservation is also evident. The accuracy level has gone up and human error has largely been circumvented.”

An exuberant Mr. Sabesan signs off, “Retail items like mobile pouches and gaming cds are being sold in large volumes, yet values are not too high. Tally.ERP 9 inventory provides a huge value-addition.”

### BENEFITS

- ▶ Bottom line increase
- ▶ Effective inventory management
- ▶ Higher productivity
- ▶ Conservation of time
- ▶ More useful auditor and MIS reports