



Business Case Summary of **Cold Storage, Ripening Chambers and Heat Pump Drying Machines**

Objective

To understand how EPPS ERP has addressed critical business needs for cold storage, ripening chambers and heat pump drying machines industry.

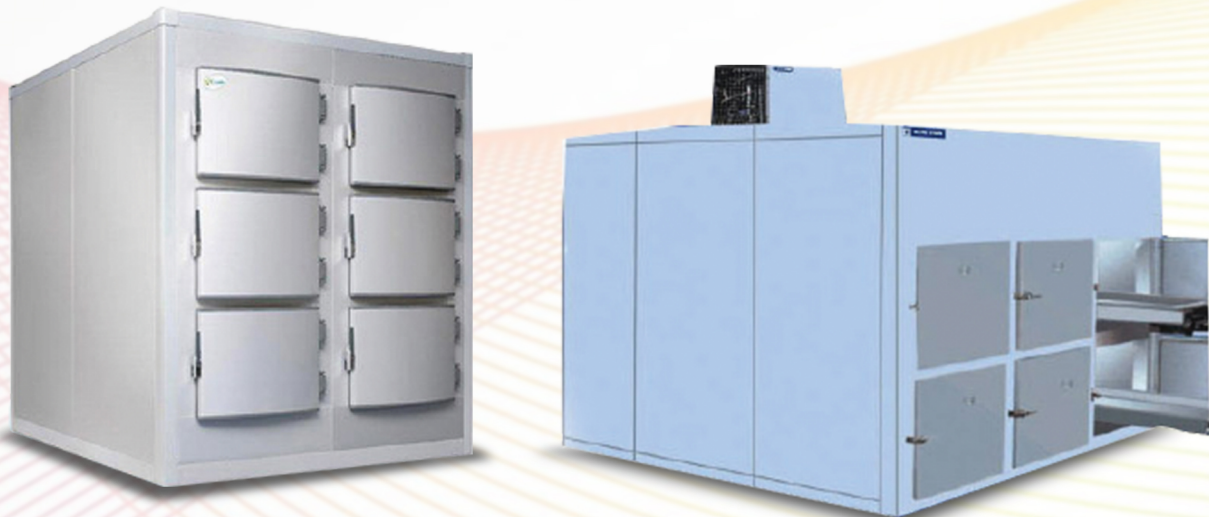
Industry Overview

One of the major industry are manufacturer and traders of a wide range of finest quality of the cold storage & ripening chambers and heat pump drying machines.

The various product range, which comes under this manufacturing segment, are:

- »» Fruit ripening chamber manufacturers
- »» Ethylene ripening chamber manufacturers

Owing to their high performance, low maintenance, longer functional life and less energy consumption, these cold storages and ripening chambers are in huge demand in the agricultural sector.



Problem Statement

The major problems faced in such SME industries are -

- » Because input components are in large numbers, varying anywhere between 100 to 500, issuance of raw material to a sub-contractor/ job worker becomes a roadblock.
- » Inventory management is another pain point of these SMEs. Inventory is the largest asset on their balance sheets and without careful planning, inventory can easily get out of track; resulting in heavy markdowns due to overstocking, ultimately leading to serious cash flow problems.
- » Manual data entry in an uncontrolled environment often led to inaccuracies in tracing the number of specific raw material utilized in multiple finished products. These inaccuracies then led to major problems when these finished products are shipped to the clients.
- » Non-availability of a proper material management system poses serious problems in terms of exact analysis of stock available vs stock to be procured.
- » Inaccessibility to real time data results in critical problems in production process, often resulting in huge revenue loss.
- » Scheduling of PO/SO and tracking the delivery as per the define schedule.
- » Managing multiple spreadsheet driven production process leads to delay of production and delivery.



Business Need

SMEs who do the assembly job along with minor manufacturing the business needs are very specific and revolves around the inventory tracking and monitoring. Some of the needs are captured below -

- 1) Required BOM (Bill of Material) for Finished Goods & Semi Finished Goods.
- 2) Tracking of Finished Goods & Semi Finished Goods & consumption pattern.
- 3) For raising a sub-contracting PO (Purchase Order), it is required to put all the item which they are issuing to the subcontractor for the Job Work (can be issued partially or fully).
- 4) Additional cost incurred during production needs to be calculated which will help them to derive the final cost of the product and help them set the right price. Lack of system driven calculation leads to loss of profitability.
- 5) These industries need material requirement planning to have clear visibility for material procurement along with the available stock, as some of the component used in such products are high value raw materials and have a lead-time to procure.
- 6) The business demands on time delivery as per customer's expected date, which these manufacturers are not able to manage.



Solution Overview

EPPS ERP solved the above problems & business need by offering integrated solution, which not only handles material planning but also provides a single platform for Sales Management, Finance Management, Production along with user control and approval mechanism, which is accessible through browser and mobile App.

- 1) EPPS GRO is a pre configured click to install model that helps SMEs improve efficiencies in their operations. It gives you access to essentials, that gets you started on your journey towards growth. Integrated modules help you to manage your business operations effectively on a secured platform.
- 2) The Purchase Order transaction allows the user to create purchase order for the stock as well as for subcontracting processes.
- 3) The GRN transaction allows the user to receive the raw materials and update the same in system.
- 4) Tracking of material location wise, quantity and value wise, finished item stock and total consume items can be done easily.
- 5) With the help of MRP, details of stock and required items are fetched to shows accurate requirement of RM. This feature helps to plan production and purchase related activities.
- 6) Production is supported with on time delivery as per schedule, which leads to customer satisfaction.
- 7) The mobile app functionality allows for an uninterrupted workflow and facilitates better business decisions with up-to-date and real-time data on a secured platform.
- 8) EPPS GRO comes with an integrated accounting software that takes care of your creditors, debtors, banks, cash flow, fund flow and all your statutory compliances.



Solution Detail

Some of the critical Problem and Business needs that have been address through EPPS ERP are stated below -

1) BOM (Bill of Material)

BOM is a list of raw materials, sub-assemblies, components, parts and the quantities of each materials that go into manufacturing of a product. BOM helps you achieve the basic principle of Material management to provide "right part in right quantities at right time." BOM helps you rollup cost to derive the costing of your product.

Through BOM you can control incorrect procurements. It also lets you do proper planning & tracking of your input materials to avoid excess inventory, stock-outs, excessive expedite charges, and excessive downtimes. For faster execution of planned work BOM helps you in tracking which parts are used and where they are used, thereby reducing your operation cost.

BOM explosion can help you issue proper controlled materials to sub-contractor.

2) Sub-Contracting / Outsourcing

Organisations outsource some of their work to a third party vendor to save time and cost. Sub-contracting/Outsourcing module helps the user effectively track the status of the Job and the material at the third party vendor location. It can be used in conjunction with the existing manufacturing and procurement process to support use of third party vendors in the part of supply chain.

Purchase orders for outsourced contracts give a clarity on the process and charges for the vendor. BOM explosion can help you issue proper controlled materials to the sub-contractor. Issue and receipts process within the Sub-contracting/Outsourcing module helps track the material accurately at vendor location.

3) Production Reporting

Production reporting helps you track the status of the material produced. It helps you in loading the input material cost and the overheads to manufacture the material. Production costing is very important aspect for decision making for every manufacturing industry. Production reporting with batch number allocation helps you track the batch with its age. This is crucial in sales return and service warranty elements.

4) MRP

MRP run in EPPS GRO helps you populate the material requirement to ensure materials are available for production and products are available for delivery to customer on time. Proper MRP planning also ensures reduced inventory with very few (none) shortages. It improves customer service efforts with proper commitments. It also reduces the procurement cost by cutting down the expedite procurements at extra ordinary rates.

5) Reports

Reporting extends beyond manufacturing and production monitoring to include sophisticated reporting and analysis capabilities for:

- ✓ Material Management System
- ✓ Sales Management System
- ✓ Finance & Accounting System
- ✓ Business Policy Management
- ✓ Production & Quality Management

6) GRN

GRN in EPPS GRO comes with batch tracking and batch number generation, which helps the user to select correct quantity from a specific batch as per the order. During GRN, a user is free to select a location and warehouse where he wants to store the received stock. With the help of scheduling, on time delivery performance will increase and it will help in business growth.



7) Mobile Application

- » EPPS GRO comes along with secured mobile app, which is linked with your license through IMEI no. of the user's Mobile. This is to protect unauthorized access of the confidential business data
- » EPPS GRO Management App helps the decision maker to see business activities on the go
- » It also comes with a notification alert so that the approvals can be done without any delays
- » The management app also helps the decision maker to take business decision instantly while dealing with a client in a business meet or in a coffee shop
- » Overall, the mobile app helps to increase the efficiency of day-to-day business operations

Key Business Benefits

The direct and indirect benefit, which has been observed over a period in such industry, has been captured below -

- ✓ Support growth without additional labor resources
- ✓ Improved product availability and on-time delivery
- ✓ Reduced expedited freight costs
- ✓ Reduced month-end close time
- ✓ Increased inventory turnover
- ✓ Reduced scrap
- ✓ Reduced monthly shipping errors to zero
- ✓ Reduced maintenance costs by the use of service PO
- ✓ Reduced repair time
- ✓ Increased traceability for ISO compliance
- ✓ Improved accountability across the organization
- ✓ Improved internal and customer communications
- ✓ Reduced inventory variances by as much as 80%
- ✓ Increased on time delivery percentage
- ✓ Multiple UOM tracking with stock
- ✓ Multiple Warehouse management
- ✓ Multiple location of organization comes under one umbrella
- ✓ Item Price List- To check pricing, item wise with quantity
- ✓ Batch generation (Auto/Manual) for issuing material and FGR entry to select correct batch

- ✓ With the help of print configuration customer can modify important documents as per business requirement
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- ✓ Increased inventory turnover
- ✓ Reduced scrap
- ✓ Reduced monthly dispatch errors to zero
- ✓ Increased traceability for compliance
- ✓ Improved accountability across the organization
- ✓ Improved internal and customer communications

Customer Testimonial

AgroRipe

AGORRIPE
Advanced Post-Harvesting Technologies

When we were just starting up, we had no idea there was anyone in the market like EPPS. Their knowledge of the ERP marketplace, structured evaluation process and extensive experience has been a tremendous addition to our process. We are so happy we found them. We have seen an increase in our efficiency and this has led to better communications between departments.

EPPS ERP has provided functionality for managing inventory, accounting, warehouse management and order entry and processing as an all-in-one solution. It streamlines processes across departments from start end and include additional functionality to meet the specific needs of each individual businesses.