

Case Study

A Family-owned Conglomerate

Service(s) offered: **CFO Support & Finance Controller Services**

Sector/Industry: **Food Processing**



Accounting, Month-end Closures, Compliance Management, and ERP Implementation for a 70-year-old Family-owned Conglomerate

Our client is a 70-year-old family-owned conglomerate into various businesses such as boutique hotels, banquets, dining restaurants, etc. and also runs a large ice-cream store chains and a low-calorie ice-cream chain with operations in India and the Middle East. They decided to venture into a new product line – plant-based meat products.

The client was a newly-incorporated subsidiary of the Indian-based company and was involved in selling plant-based meat products, ice-cream, and dairy products. Additionally, the client incorporated a foreign-sister concern to introduce the same product segments and business operations in the Middle East.

The client commenced its operations in Financial Year 2022-23 and had set-up of the supply chain, sales and marketing teams, and other essential departments. They approached Nexdigm to manage the role of a finance team and handle all finance-related activities.

Challenge

- As a newly-formed entity within the conglomerate, the company faced challenges while setting up the operating processes related to finance, supply chain, and more. They also required support in terms of evaluating and implementing an ERP system.
- Initially, the entity was established to handle only one segment. However, during process development, an additional operating segment from the existing group company was transferred to this entity.
- It was imperative to swiftly establish processes, implement an ERP, and commence operations within a limited timeframe as the client was targeting a product launch within the next two months.

Case Highlights

- Established standardized processes and completed documentation for a newly-incorporated subsidiary within two weeks.
- Evaluated and implemented an ERP system for both the Indian trading entity and its foreign-sister concern in the Middle East.
- Integrated an additional, matured running segment into the operations of the new subsidiary within one month.
- Managed the finance function for both businesses, including accounting, payments, MIS reporting, and compliance management.

Our Solution

Establishing SOPs and Evaluating ERPs

The Nexdigm team supported the client in establishing Standard Operating Procedures (SOPs) for the newly incorporated foreign entity. They also assisted in evaluating an ERP system tailored to the operating and revenue model and guided the client in terms of their banking set-up.

ERP Implementation

Our team discussed the revenue and operational model with the company's management and gathered all the necessary insights. Based on these insights, the team evaluated various ERP solutions and developed SOPs for key processes. We then coordinated with the company's departments to set up a cloud-based ERP, (including the necessary modules) while providing alternative solutions for any system limitations.

The team facilitated employee onboarding, training, and ongoing support for query resolution through the ERP system.

The team also efficiently migrated the following data/information from the erstwhile ERP system to the current cloud-based ERP system:

- Transfer of the accounting system of the business
- Implementation of additional protocols in the ERP system
- MIS reporting for both businesses

Integration of an Existing Segment of the Conglomerate into the New Entity

Our team worked on the integration of the group's existing business into this new entity. We studied the existing processes and synchronized them with the processes created for the new entity to achieve synergies within the organization.

Accounting, Month-end Closures, and Compliance Management

Our team processed all the transaction entries, conducted month-end closure procedures, and prepared the MIS reports in compliance with local laws and accounting standards. We then analyzed the company's operations and obtained details from distributors to enhance the company's market visibility.

Furthermore, our team also managed various compliances relating to Indirect Tax (GST) and Direct Tax (TDS, TCS, etc.), thereby ensuring timely filings and the payment of statutory dues.

Impact

Our comprehensive support enabled the company to achieve its set-up activities before the product launch. By promptly resolving any ERP or process-related issues and highlighting exceptions to the management, we ensured smooth operations and facilitated timely decision-making. Moreover, we diligently managed routine activities and statutory compliances, delivering monthly reports to the management by the due date to enable them to track all relevant activities and information.

For more information on this case study, please write to us at:

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You can also visit our website to know how our services resulted in tangible business benefits:

www.nexdigm.com