Over the last five decades, Saurastra Cement Limited has used technology as the springboard to vault to the forefront of the Indian cement industry.

Founded in 1956, Saurashtra Cement Limited (SCL), the flagship company of the Mehta Group, is a good example of how traditional Indian values combined with modern technology-driven practices can make a company double capacity and achieve operational cohesiveness on par with global standards.

The company, led by its chairman, Mahendra Mehta and executive vice chairman, Jay Mehta, has always adopted the latest tools of the trade. These, along with a rich blend of technology-enablers ensure that it continues to live up to its vision “...to be the most cost effective cement manufacturer on the west coast of India,” even in these times of global competition.

SCL carries forward the spirit and passion of the late Shri Nanji Bhai Mehta—the group’s charismatic and techno-savvy founder, whose exemplary interest in technology led him to establish the first of its kind, Jawaharlal Nehru planetarium in Western India.

**Tryst with technology**

SCL has state-of-the-art and energy efficient manufacturing plants—equipped with the latest internationally-sourced machinery, to ensure world standard processes are implemented at every stage.

Modernisation has resulted in significant improvements in the operations at the plant, affirms A S Kailasan, senior V P, Saurashtra Cements. The plant is completely automated and the installed control systems have led to capacity enhancement, reduction in power and fuel consumption and an improvement in quality and emission levels, he adds. The
company adheres to strict quality control practices and is an ISO 9001:2000 company.

The SCL management always adopts the latest technology. “The workforce has access to the latest laptops and smartphones. Apart from adding to their productivity, this helps to keep the workforce motivated as they feel a sense of pride while working on the latest gadgets and technologies,” shares Kailasan.

SCL operates like an IT company and has an innovative IT team, comprising 18 members. The company spends Rs 2-3 crore every year on IT and uses a range of technology tools to coordinate and communicate between branches, and effectively automate its core functions.

It gets better

The company’s obsession for technology is such that it keeps exploring options to both add to its existing set of tools and replace obsolete devices with better models. Till the late 90s, the company used FoxPro-based software applications for its management and transactional processes. But since each application was operating in isolation, exchanging data between these applications and transferring it from one source to the other became a problem.

Thus, the management began exploring the possibility of an integrated solution that could link the disjointed silos of data and bring all its processes onto one platform. In 1999, when the complexity and volume of operations increased, SCL thought of opting for a centrally integrated ERP solution. Hence began the search for a solution that could cater to the niche requirements of a cement manufacturing firm.

Evaluating and zeroing in on an appropriate solution required a lot of research. SCL evaluated ERP solutions offered by vendors like SAP, Ramco, Oracle and many others. The management consulted ERP experts; read a lot of studies published by agencies like Price Waterhouse Coopers to compare different vendors and their offerings to learn about the best practices of implementing an ERP system. Finally SCL opted for Ramco’s on-premise ERP solution. The key reason behind this decision was Ramco’s prior implementation experience in the cement industry. In fact, at the very time of SCL’s evaluation, Ramco Systems was engaged in implementing its ERP solution in Madras Cements, a Chennai-based cement manufacturing company.

Ramco’s industry experience proved beneficial!

But are the requirements of cement manufacturers so unique? And is it so critical to look for vendors with an exposure to your industry or vertical? Suresh Shakkarwar, regional manager—Implementation & Support (Western Region), Ramco Systems, opines: “Although the requirements of every manufacturing industry is unique, cement manufacturing companies in particular are quite different. He shares more details on the complex requirements of a cement manufacturing company: “Cement manufacturing is a complex mix of processes. Even the process of recording the production output and raw material consumption is different. The finished goods move through many destinations before reaching the customer so tracking the goods and the costs incurred during transit are unique to the cement industry. The loss in transit due to the physical form of cement is also unique to this industry.”

Kailasan feels that Ramco’s prior experience helped immensely. He explains: “Ramco had the model ready after its Madras Cements deployment. Most of the modules matched our requirements. In fact, we could take advantage of the best practices and experience gained by Ramco from that implementation,” says Kailasan.

But despite this, a detailed analysis of requirements was undertaken. This helped in clearly defining user-level requirements, says Shakkarwar. He further recalls: “A series of discussions between the key

Fact file

SCL’s brand Hathi Cement generates a turnover of Rs 400 crores. The company has two cement manufacturing facilities in Gujarat: at Ranvav, Porbandar and at Siddhgram. It has a marketing office in Ahmedabad and a corporate office in Mumbai. The company has eight sales offices spread across Gujarat, and one in Mumbai.

The company is recognised as a leading export house and has also received the Certificate of Exports awarded by CAPEXIL, a commendable three times.
"IT adoption has minimised the occurrence of human errors. Coordination between the branches and among the workforce is better; there is no unnecessary information flowing in the company; there is no duplication in the processes across the board; there is no wrong reporting to the top management. All information is taken from the ERP system and can be authenticated."

Strengthening the ERP system

It’s been ten years since SCL implemented the ERP platform. The entire workflow and processes have been automated—like HR, purchase, finance, marketing, order processing, etc. But SCL didn’t stop at that. Over the years, the in-house IT team built many enhancements on top of the ERP solution to get the most out of it.

"The biggest advantage of Ramco’s solution was evident when the government raised the excise duty on cement a few years ago. All other ERP vendors, being based overseas, took almost one or two months to update the ERP implementations at their respective clients’ sites. As a consequence, most India cement companies ended up paying excise duty at higher rates for those two months. But since Ramco did the upgrade on the same day, SCL could save significant amounts of money."

The automation effect

Talking about the difference that this comprehensive ERP solution has made to the company’s productivity at all levels in the organisation, Kailasan says: "IT adoption has minimised the occurrence of human errors. Coordination between the branches and among the workforce is better; there is no unnecessary information flowing in the company; there is no duplication in the processes across the board; there is no wrong reporting to the top management. All information is taken from the ERP system and can be authenticated."

New processes

Many new workflows have been added, like appraisal approvals and purchase approvals, as per the evolving needs of the company.

Integration with the attendance system

Feeds from the biometric attendance tool are sent to the HR module of the ERP system.

Web-enabling the ERP

Plans to integrate the ERP system with the SCL website, to enable online purchase, are in the offing. Kailasan shares more details: "The website will allow vendors to register and offer their raw material quotes online. In turn, SCL also plans to post its requirements online and solicit proposals."

Continual training

The SCL management believes that training is critical to the successful adoption of any technology. Thus, the emphasis has always been to regularly arrange to train new and old employees as per their usage requirements. The in-house IT team undertakes a comprehensive IT training programme once a year.
Apart from this, the company also conducts regular human resource development programmes to nurture the managerial, technical and marketing skills of its employees. SCL has over 650 employees.

Marching ahead, with IT
Going forward, SCL wants to be among the top five cement companies in the country. In the next five years, the company has plans to expand and diversify significantly, by acquiring cement companies, enhancing its current IT and manufacturing infrastructure and increasing its production capacity. The company plans to do all this with its tremendous faith in its employees and its technological prowess. SCL's track record should convince those who doubt IT's ‘real’ relevance to their line of trade, to use IT to run a better organisation.

An innovative approach to IT
Here’s a list of a few interesting IT tools being used at SCL:

- Video conferencing tools are in place to coordinate with different branches/factories. Senior officials across locations use these to connect with each other every day, holding long meetings to thrash out important or urgent issues.
- All offices are connected through a VPN (virtual private network), whereby employees can share information over their computers, instantly, reports Kailasan. “This has enabled the IT team to take control of the computers and do the troubleshooting or extend IT support, remotely,” he adds.
- SCL has an Avaya EPBX (electronic private branch exchange) communication system that enables all employees, across locations, to call each other by dialling an internal number. “There is no need to dial the STD code to talk to employees across branches. This saves a lot of money,” says Kailasan.
- The senior officials have smartphones like the Blackberry and iPhone, and use instant messaging tools for quick real time communication, thereby saving money that would otherwise go in making calls.
- Google’s online applications are used to share documents between teams working on common projects.
- SCL has programmable logic controller software to control and monitor its factories, online. Factors like production levels, temperature, etc, can be monitored and controlled online.
- The company uses a biometric attendance system to record the entry of employees into the premises. Also, at strategic locations like locker rooms and server rooms, entry is controlled by biometric devices.
- There is a document management system that stores files electronically; all data can be retrieved very fast and accessed instantly.
- To support the ERP system, SCL invested in servers, desktops, switches and VPN (virtual private network) connectivity.
- For campus security, CCTV (closed circuit TV) cameras and Web cams have been installed. Factory sites can be viewed on a screen, remotely.

Tidbits
Store you data online
Online data storage and back-up helps you protect your business critical data from PC crashes. Binfire.com is one such new service that lets you store data online. Besides, it provides other collaboration tools for individual and small business users such as multiple file sharing, multiple file uploading, online chat, and live support. It provides you with hotlinks to files and folders that you can share with your colleagues or friends. For further information, visit www.binfire.com.

You can now access Facebook and Twitter via Yahoo! Mail
If you use Yahoo! Mail, you will now be able to enjoy social networking sites over e-mail. Yahoo! has plans to integrate with Facebook and Twitter by 2010-end. The company wants to enable users to share meaningful content within their circles on the social media websites. You will be able to connect with Facebook friends on Yahoo!, view a feed of their friends’ related activity on Yahoo!, and share content like photos from Flickr or comments on news stories, with all of their friends on Facebook, the company says.