Jindal Drilling and Industries Limited

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**Solution Overview**

**Organization Profile**

Jindal Drilling and Industries, a pioneer in India to venture into the high technology area of offshore drilling. It provides high quality services to the oil and gas industry.

**Business Situation**

JDIL lacked a streamlined monitoring and tracking system for its employees and equipments. The legacy solutions and processes didn’t bring in drilling industry-specific functionalities. The company also wasted valuable resources in financial consolidations.

**Solution**

With the help of Blue Star Infotech, a Microsoft® Gold Certified Partner, JDIL deployed Microsoft® Dynamics™ NAV 2009 for its incredible tracking and customization abilities along with options for Indian localization.

**Benefits**

* Ensures timely critical business decisions making
* Simplifies financial information
* Effective project and resource monitoring
* Inventory and maintenance records validate new purchases

**Partner(s)**  
Blue Star Infotech

**Software and Services**  
Microsoft Dynamics NAV 2009

**Vertical Industries**  
Professional Services

**Country/Region**  
India

[http://www.microsoft.com/casestudies/resources/Logos/4000005609.jpg](http://www.bsil.com/)

## Jindal Drilling and Industries Limited

### Drilling Major Optimizes Resources, Increases Efficiency

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| **Founded in 1983, Jindal Drilling and Industries Ltd. (JDIL) is a drilling contractor and a service provider of onshore and offshore drilling related services to national and international Exploration and Production (E&P) companies. The challenge lies in accurately monitoring human resources and machinery to optimize the usage, efficiency, and billing. Consolidated and centralised access to information would enable the management to avoid business losses. A technology driven company, JDIL decided to implement Microsoft® Dynamics™ NAV 4.0 with the skilled assistance of Blue Star Infotech, a Microsoft® Gold Certified Partner. Later Blue Star facilitated the efficient migration to NAV 2009. JDIL can proficiently differentiate various types of contracts and later complete projects within planned budgets with the help of numerous tracking and monitoring tools.**  Situation  Established in 1983, Jindal Drilling and Industries Ltd. (JDIL) is a part of D. P. Jindal Group. It is one the leading offshore and allied service providers to national and international oil and gas companies. The revenue of the company was U.S.$ 267.4 million (INR 1200 crores) approximately in year 2009 – 10. The experienced operational and management team consists of 500 personnel.  An ISO 9001:2008 certified company, it provides wide spectrum services to oil and gas industry in India which include offshore drilling, offshore and onshore directional drilling and mud logging services. Currently JDIL is operating five jack-up rigs on long term contract with ONGC. It has won prestigious contracts and awards for both safety and excellence in service. JDIL has alliance with world's 2nd largest drilling contractor Noble Drilling Corporation, USA.  The legacy system at JDIL consisted of accounting package Tally from local vendors along with Microsoft Office Excel spreadsheets for maintenance of records. Both the applications being standalone applications with very limited features, required manual consolidations by the employees.  JDIL, a services organization, requires precise usage and billing of equipments and human resources deployed in various fields. But the extensive monitoring and tracking of resources was not defined in legacy system. “Our legacy systems didn’t create exhaustive audit trails required for process and financial audits,” comments Mr I.N.Chatterjee Ex. Director JDIL.  Sometimes JDIL services are utilized as well as rendered in foreign currencies, creating the need of calculating the service tax in the respective currency. When invoice is generated, the calculated profit or loss on service tax amount due to the exchange rate difference should be accounted in service tax receivable or payable account and not under realized profit or loss account.  Since JDIL bills customers based on specific contracts with each customer, it is imperative to track the employees’ work hours, track equipment put into use at each site, their procurement, inventory, control and allocation. This information needs to be tracked dynamically along with maintenance records. Similarly billing of equipments and people based on the 24 hours performance, cost estimation of each project, logistic expenses and other minute details were difficult to capture in the legacy system but were a key criteria to maximize profitability.  With growth in business, JDIL couldn’t afford to struggle with a slow paced legacy system and its underlying inefficiency. To meet the ongoing challenges the company wanted to implement internationally accepted project management practices to meet the business requirements. It was decided that a centralized ERP would be deployed that would give the headquarters visibility, insight and control over all projects and sites.  Solution  JDIL decided in favor of Microsoft NAV 4.0 due to its Indian localization abilities. Soon after the implementation, NAV 2009 was released; and to harness the benefits of new features of the latest edition, JDIL started migration to NAV 2009.   |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  | | --- | --- | | * |  |  |  |  |  | | --- | --- | --- | | * | Closely monitored schedules and tight check over the budgets ensure that the costs incurred fall within the budgets. | * | |  | I. N. Chatterjee Executive Director, Jindal Drilling and Industries Ltd. |  |  |  |  | | --- | --- | | * |  | |   Blue Star Infotech, a Microsoft® Gold Certified Partner, with skills and expertise in drilling and mining industry, assisted JDIL in initially implementing NAV 4.0 and later migrating to NAV 2009. The implementation started in April, 2008 and was completed in November, 2008. The solution was deployed at operation office in Mumbai, at workshop at Taloja district in Raigad and at head office in New Delhi. JDIL has currently purchased 50 user licenses.  Blue Star deployed Financial Management, Fixed Assets, Jobs and Resources, Service Management (Workshop), Billing and Receivables, Purchase and Payables, Inventory (Stores) modules. These were further customized to meet the JDIL business sensibilities. The solution was customized to obtain various details such as operation hours, non-operational hours, stand-by hours, break-down hours, penalty hours (in negative), etc. of rig, equipments and manpower. The reports on resources extracted from the system become the basis for invoice generation.  At the same time, Resource Card customization ensures the availability of data such as Standard run hours, Cumulative run hours since last run and for all runs to date, Number of runs to date etc. for cost reporting and budgeting. Pankaj Vijay, General Manager, JDIL adds, “Cost reporting helps in comparing the budgeted estimate of resources required against the actual cost incurred. The exercise further assists in important managerial decisions.” Complex currency conversions for invoices and service tax calculations are also facilitated using the ERP solution.  JDIL has also confronted the solution for partial payment of service tax liabilities as permissible under the act for which transaction is not acceptable to present form of NAV. However these requirements are yet to be addressed in NAV 2009 and thus result into manual intervention.  Benefits  By improving resource utilization and other operational efficiencies, JDIL is realizing the full potential of NAV 2009.  Ensures Timely Critical Business Decision Making  The centralized database in Microsoft Dynamics NAV 2009 shares all the project related information across the offices and sites. The managers are well informed with updated, robust project information and project analysis reports, which support better decision. Mr. I.N.Chatterjee, Ex. Director, JDIL states, “The ability to integrate real time data and business systems improves the execution of informed business decisions exactly when and where required.” The level of business grows with specifications and clear instructions on what to do and when to do. “Quick availability of data forms the basis of good business decisions and hence saves good money.”  Simplifies Financial Information  Microsoft Dynamics NAV 2009 offers effective tools to support financial analysis and cost control. Consolidated financial reports from all the sites and locations is extracted by unifying accounts, reports and other master data. This improves the accuracy of financial reports. NAV 2009 has reduced the time to produce the consolidated month end reports from 15 days to 7 days.  The solution simultaneously deals with all mandatory government regulations and ensures compliances with relevant industry standards. The fluctuating exchange currency rate doesn’t adversely affect the efficiency of finance department. Timely service tax calculation using Service Tax Module saves the company from huge losses.NAV 2009 proficiently deals with forex issue and generates the invoices in desired currency. It also facilitates conversion of multiple international currency rates.  Inventory and Maintenance Records Validate New Purchases  Microsoft Dynamics NAV 2009 keeps a track of inventory and maintenance records. Thus it helps JDIL in uniform allocation of various machines and related equipments at various sites. The outsourcing, repair and other miscellaneous costs of the equipments for consecutive years is upheld. This justifies the cost and quantity of ordering or buying new equipments. At the same time, it determines the efficiency levels.  With streamlined business and automated workflows, Microsoft Dynamics NAV 2009 harnesses the maximum efficiency from people and machines. Mr. I.N.Chatterjee, Ex.Director, JDIL concludes, “We ensure maximum business with minimum resources.” With increasing business, the numbers of transactions have exponentially gone up but nevertheless the same manpower is efficaciously handling them. “The consolidated business data is transformed into valuable information for business decisions. It greatly enhances the company’s effectiveness and its ability to provide an overview of its activities and account of its success.”  Microsoft Dynamics  Microsoft Dynamics is a line of integrated, adaptable business management solutions that enables you and your people to make business decisions with greater confidence. Microsoft Dynamics works like familiar Microsoft software such as Microsoft Office, which means less of a learning curve for your people, so they can get up and running quickly and focus on what’s most important. And because it is from Microsoft, it easily works with the systems that your company already has implemented. By automating and streamlining financial, customer relationship, and supply chain processes, Microsoft Dynamics brings together people, processes, and technologies, increasing the productivity and effectiveness of your business, and helping you drive business success.  For more information about Microsoft Dynamics, go to:  [www.microsoft.com/dynamics](http://www.microsoft.com/dynamics)  About Blue Star Infotech  Established in 1983 and part of the Blue Star Group of Companies, Blue Star Infotech is a global provider of product development services, enterprise solutions and services, travel technology solutions and testing services. With operations in North America, Europe, UK, Japan and India, it delivers high-performance technology-based services by adopting a partnering approach with its clients. It’s dual expertise in building software products for industry leaders and IT solutions brings into play a set of unique capabilities and solutions that increases certainty of technology initiatives. Blue Star Infotech has been ranked 12th amongst the top fifteen global R&D Service providers by Zinnov Management Consulting Pvt. Ltd, in a first-of-its-kind ranking of the Top Global Outsourced Product Development service providers across geographies such as India, China and Eastern Europe.  For More Information  For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. 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