



SAP R/3 Enhancement for largest Ink Mfg Co



SAP R/3 4.7 Enhancements - Case Study

The Summary

Client is currently using SAP R/3 4.7 solution. Their requirement was to enhance the present SAP system which includes Conversion of VAP2 to EOU and Enhancements of VAP2 to EOU1. AG Technologies did a Structural Changes in SAP system for Plant EOU & Plant VAP2. The enhancement resulted in operational efficiency and cost saving.

The Client

Client is a part of US \$ 239 million Bilakhia group, which has diverse interests in printing inks, resins, flushed pigments and crop protection chemicals. They have transformed themselves into a multi-dimensional, multi- location company offering a comprehensive range of quality products, efficient customer service and a wide distribution network. They are a marketing powerhouse with 12 branches, 5 technical centers and around 500 distributors. Today, they have spread their wings globally with a distribution network in more than 50+ countries. Client is few companies in the world, to have successfully implemented SAP R/3 4.7 solution, integrating its marketing offices through satellite links.

The Business Requirement

Client had two separate Plants, VAP2 and EOU1 both belonging to two separate company codes which were integrated with the SAP R/3 4.7 system. They were currently using SAP R/3 4.7 solution with all core modules FI/CO, SD, MM, PP and QM. As a part of its expansion plans, they were looking forward to merge 2 Plants belonging to 2 company codes under the same Group of companies so that the benefits of 100% Export Oriented units (EOU) are maximized. Thus they were looking for an enhancement of the present SAP system which includes Conversion of VAP2 to EOU and Enhancements of VAP2 to EOU1. Along with this, there were requirements of upgradation of Kernel and Basis related activities.

Project Summary

Industry: Manufacturing

Client Profile: Largest Printing Inks Company in the country

Business Requirement:

Client requirement was to enhance the present SAP system which includes Conversion of VAP2 to EOU and Enhancements of VAP2 to EOU1.

Solution:

AG Technologies did a Structural Changes in SAP system for Plant EOU & Plant VAP2.

Solution Benefits

- Cost Saving
- Enhanced visibility
- Minimized Cycle Time
- Improved Operational Efficiency



AG Technologies

The Solution

The SAP R/3 Enterprise enhancement implemented by A G Technologies acted as a robust platform capable of leveraging new advances in technology to support the client's current and future business initiatives while providing an optimal platform to streamline; optimize and integrate business processes across departmental and functional areas.

The enhancement done was as follows:

- AG Technologies did a Structural Changes in SAP system for Plant EOU & Plant VAP2.
- Cut over of VAP2 to EOU in present SAP system.
- Additional changes made in Pricing Procedure.

Certain other value additions were done by changes in configurations like:

- Evaluated Receipt Settlement changes in the programs, which resulted in savings of CTCs of 5 employees on recurring basis.
- Changed Release strategies to get proper authorizations for Purchase Orders.
- Scraped other legacy system for Laboratory Equipments Calibration Planning and recordings.
- Changed the Sales Organization structure to align with the parent multinational company.
- Changed the serial numbering to have logical linking between the Financial Document and the Material Document.
- Configuration for Additional Customs Duty and solving the teething troubles for the same was done.

Technology Deployment

- **SAP Solution:** mySAP ERP 4.7
- **Hardware:** 2xIntel Xeon 3.2
- **Operating System:** Windows 2000
- **Database:** Oracle9i
- **No of SAP User Licenses:** 15 Users
- **Location:** 1 Location, Vapi (Gujarat)



The Solution Benefit

The Enhancement was completed in a very short time (within 1.5 months of project start). Major part of the execution was done from offshore thereby reducing the cost and also resulted in On-time and On-budget completion of deliverables.

Following are few of the benefits in terms of enhancements are as follows:

1. Business-processes enhancement
2. Fast, economical implementation
3. Reduction of workload of IT personnel to cut administrative overhead
4. Reduced operational cost thereby saved cost.
5. Increased operational efficiencies