



SAP B1 Merger for a Crane Manufacturing Company

Introduction

Our client is an industry-leading group of lifting businesses that offers a complete range of advanced lifting solutions to many different industries worldwide. They are offering the most reliable advanced and customized solutions for various industry segments, like Steel, Power, Paper and General Manufacturing. These products are manufactured as per Indian Standards.

Business Scenario

Our client is into Manufacturing and Trading of Cranes and Spare Parts. They have their manufacturing plants in 3 locations in India and around 10 Regional Sales Offices in India. As well they prepare their financial reporting Business Line-wise i.e. Department or Business Unit-wise. Raw Material being procured locally as well as imported as per the production requirements. Manufacturing activities are on both the scenarios i.e. Make to Stock and Make to Order basis. All the Manufacturing Plants are Excise Registered. Products and Parts are produced in-house as well as sub-contracted depending upon the Plant Capacity and delivery schedule. Their Major sale is to the direct customers catering Domestic, Inter-company and Export Sales. Few products however sold through a specific Distributor Channel. Credit Controlling done for customers. For sales employees target and commission calculation also defined.

Business Challenges

Our client was facing challenges Before SAP B1 implementation like:

- There were various legacy applications for respective functionalities such as ERP, Excise Invoicing, Financial Accounting and TDS etc. so they were facing integrity issues.
- As client has been acquired by existing SAP B1 user Company, so they were not able to provide reports for MIS in the desired company standard formats.
- In absence of an integrated system, there was no track of costing, change logs and exact status of inventory, production and cash flow etc. for user queries.
- Also ,they were unable to get MIS and other requirements like Accurate profitability, Inventory Turning, Budget Tracking, Procurement Tracking, Payment Scheduling, Fund Flow Planning, Tax Payments, Cut-Off Reporting, fulfilling Statutory and Audit requirements etc.

Project Summary

Industry: Crane Manufacturing

Client Profile:

Our client is an industry-leading group of lifting businesses that offers a complete range of advanced lifting solutions to many different industries worldwide.

Solution:

- SAP B1 8.81 PL07
- Customized Add-Ons
 - Material Requirement Planning
 - Purchase Requisition
 - User Access Control
 - Quality Control
 - Bank Payment File Generation

Solution Benefit:

- Consolidate of Financial reporting of both companies
- Better control over inventory and finances
- Integration in various departments & functions
- Proper planning data for costing, budgeting, MIS, HO reporting, Analysis etc.
- Online Status Updates
- Alerts and Approvals
- Change Log Mechanism
- Introduction of discipline for chronological flow of business operations.
- Controls and Checkpoints

- And they were missing track on Commissions, After Sales Service / Warranty activities, Budget v/s Actual Expenses, Pre and Post sales margin calculations and comparisons, Individual Crane-wise as well as Project-wise Costing and Profitability, Sales Branch-wise Profitability, Delivery Punctuality, Production Variances and Effective Project Management etc.

The Solution

SAP Business One was already implemented at Clients overseas office hence client chosen AG Technologies to Rollout SAP in India along-with Customized Add-Ons, Reports and Print Layouts etc.

Technology Used:

- **SAP Solution** : SAP B1 8.81 PL 07
- **Operating System** : Windows Server 2008 R2
- **Database** : SQL Server 2008 R2

The Solution Benefit

- After implementation of SAP B1 in India office, the client is now able to get effective control over all business areas such as Production, Inventory, Financials, Sales, Service and Taxation etc.
- Also they are getting advantages of Data Integration, Accurate Costing, Timely Cut-Off reporting, MIS Reporting, Quality Control, timely payments to vendors, timely availability of Inventory, Checkpoints and controls while entering master data or transactions level itself.
- They are now getting easy and quick accessibility to data and status queries using query reports. Reports like Tax Registers, RG Registers, Tax Payments, and TDS Payments are now being done timely and effectively. Data for fulfilling Audit and Statutory requirements is possible effectively.
- Client is able to plan procurement and production more efficiently. Also this planning helps in estimating and execution of forthcoming new projects and orders, competing and getting winning edge in market in better way.
- With an integrated system, duplication of tasks and cost of redundancy eliminated, which helped in defining standard SOP in the organization and in improving overall quality of work, delivery, product and services.
- SAP Business One has overall automated almost all the business operations with overall better control and standard practices enforcement in the operations. It has also helped in building an overall confidence and image of the organization amongst the Business Partners, Associates, Banks and Service Providers.