

Case Study Viraj Profiles

» We wanted to establish integrated and centralized monitoring for the scale and breadth of our operations by implementing a robust ERP system «

Mr. V.J. Rao, President - IT & CIO, Viraj Profiles



THE CUSTOMER

Country: United Arab Emirates Industry: Mill products Founded: 1990

Employees: 9,000 Website: www.viraj.com



THE CHALLENGE

Viraj Profiles needed global software which would be scalable and could support the exponential growth of the company. The company needed software that was used by its customers and suppliers mainly from Europe and America. The company had made an earlier attempt to run the business with a local ERP, but it didn't give the desired result.

THE SOLUTION

- Implemented SAP ERP and an industry solution for the mill products industry
- Added customizations to solution wherever required
- Ensured methodology, governance, training, and domain understanding during the implementation

THE BENEFITS

- Around 20% reduction in inventory via cross-plant planning
- Pay-roll processing time reduced from days to hours
- The standardization helped HR in reducing the number of designations across operations from 300 to 30

The Customer

Viraj Profiles Limited is a leading stainless steel producer with integrated manufacturing facilities and a capacity of 348,000 tons per annum. In just over a decade and a half, it has achieved over 70 product certifications and approvals in the petrochemical, food and beverage, construction, pharmaceutical, defense and marine industries.

The Challenge

The business of Viraj Profiles grew over a period of time as the company expanded the product portfolio. As the operations grew in size, investment, operations and number of people, each sub division grew in size and became more and more independent.

Business challenges

- Difficulty in demand forecasting
- Process delays having impact on profitability
- Difficult to analyze the status of each business unit, profit center, machine and the cost additions
- Ineffective quality management mechanism

Technology challenges

- The local ERP implementation not compatible with other third party software
- Need of an effective order booking mechanism
- Requirement of a customized material monitoring mechanism
- Requirement of dashboard with right data for decision making at various levels
- Delays in new product introductions due to the dependency on thirdparty software

The Solution

Fujitsu provided a 'One Stop Solution' for Viraj Profiles helping with consulting services and hardware. Fujitsu implemented SAP ECC 6.0, with all major modules PS with IS-MILL. The implementation covered one company code, 17 plants, 18 profit centers, 34 sales areas and two purchase organizations.

Simultaneous implementation of HR modules, gross plant planning, transfer pricing, customized interface for customs, variant configuration, customized enhancements for Imports & IS-MILL and Kronos interface for time management are some of the key features of the project.

The Solution

The solution covered Cenvat Excise registers, interplant transfer of materials, excise invoices, withholding tax (TDS) and service functionalities. EOU specific excise functionalities are handled by Collebra which utilizes the data from SAP.

The Benefit

Business benefits

Viraj Profiles streamlined business processes, reduced process cycle times and operating costs through implementation.

- Fujitsu solution improved forecasting capability while booking orders for Viraj Profiles. The customer was able to establish higher serviceability by reducing turnaround time. The timely delivery of materials also helped to improve profitability.
- Fujitsu helped the client to establish easier and more efficient processes for statutory compliance through seamless system integration and process standardization.

Operational benefits

- The implementation enhanced process visibility and enabled the management to establish superior control over company operations. This helped it to accurately forecast demand and plan the production accordingly.
- The management at Viraj was able to establish end-to-end material traceability across the company, reducing container thefts and providing a clear state of inventory at each business unit.
 - The visibility also provided the key metrics regarding trace of the product cost as the material moved across various plants.
- The analysis of key operational and process parameters at each profit center, provided the management with an ability to drill-down to each and every machine in use and determine their efficiency in real-time.
 - Based on the analysis, they were able to figure out and rectify industrial process or machines producing the faulty products.
- The management was able to reduce pricing complexity through process standardization and better coordination across the company.

Conclusion

Fujitsu helped Viraj achieve higher process efficiency and reduce operational costs, enabling faster realization of IT investment.

"Fujitsu proved their deep domain expertise by providing the best blueprint to streamline key organizational processes across all business units of Viraj Profiles. The SAP ERP solution implemented by Fujitsu enabled us to evaluate and monitor key parameters efficiently to analyze critical business data down to individual machine level, and helped simplify and speed up the legal compliance processes."

About Fujitsu

Fujitsu is a leading provider of ICT-based business solutions for the global marketplace. With approximately 172,000 employees supporting customers in 70 countries, Fujitsu combines a worldwide corps of systems and services experts with highly reliable computing and communications products and advanced microelectronics to deliver added value to customers. Headquartered in Tokyo, Fujitsu Limited (TSE:6702) reported consolidated revenues of 4.5 trillion yen (US\$55 billion) for the fiscal year ended March 31, 2011.For more information, please see www.fujitsu.com

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