# Manufacturing Company Enhances Business Management Capabilities with ERP Solution

## Overview

**Country:** India
**Industry:** Manufacturing

### Customer Profile
Founded in the year 1994, Vega is a leading manufacturer of machines and products that are required for setting up the industries. The annual turnover of the company in the financial year 2007-2008 was around U.S.$ 5 million.

### Business Situation
Vega was using a local ERP package, to manage its daily business operations. But, as the ERP was not implemented efficiently, it had quite a few limitations. Moreover, it was not appropriate for the company of the size of Vega.

### Solution
With the help of Microsoft® Gold Certified Partner, B2B Software Technologies, Vega implemented Microsoft® Dynamics™ NAV 4.0 to enhance efficiency, reporting system and streamline all its processes.

### Benefits
- Ameliorates inventory management
- Improves financial management
- Provides user friendly interface
- Enhances efficiency
- Enhances reporting system

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>
> Srinivas Garimella, Director, Vega Conveyors & Automation Ltd., India

Vega was established in 1994 in Hyderabad, Andhra Pradesh, India by a group of engineers. It carries out many innovations on systems to suit specific needs of the customer. The company manufactures a range of machines and other systems in the field of material handling, conveying and packaging. It was struggling with a local enterprise resource planning package, which was not designed implemented professionally and thus, was unable to keep pace with the growth of the company. In order to fulfil its growing business requirements, the company desired a smaller and efficient solution with customization properties. To accomplish the needs of the company and streamline its operations, it switched over to Microsoft® Dynamics™ NAV 4.0 with the help of Microsoft® Certified Gold Partner, B2B Software Technologies. The solution now manages all its commercial operations, improves reporting system, and enhances efficiency and productivity. It simultaneously provides real time visibility and helps in tracking resources.

## Situation

Vega Conveyors and Automation Ltd., based in Hyderabad, India in the field of industrial packaging automation, conveying and material handling, has achieved an excellent growth in the last 8 years - starting with a turnover of less than U.S.$ 0.1 million in the year 2000-01 and clocking a turnover of around U.S.$ 5 million in the year 2007-08 translating to a growth of more than 40 times.

The company is currently headed by who have believed in themselves and their dreams and worked towards converting their dreams to reality. Despite a small startup when GDP was growing at a measly 3 percent and with very less investment and a mere 4 men army, the company now employs more than 115 people and has branch operations all over India. The average age of employees at Vega is less than 30. The company has very ambitious plans and expects to clock a turnover of U.S.$ 20 million in the next 4 years time. It spends a part of its revenue in developing newer technological systems and machines and considers that investment in research and development is its best bet in retaining and bringing in new customers and in increasing their future revenues.

Vega Conveyors and Automation Ltd's product profile consists of material handling, conveying and automation solutions for companies operating in the field of food, chocolate and confectionery, battery, pharmaceuticals, beverages, petrochemicals and textiles and engineering. The company currently has a customer base of more than 200 and its customers are almost equally spread all over India and the world. Its list of customers includes the best of the Indian corporate industry.

The employees common goal of new product creations, customer retention, maintaining a competitive edge are the key driving factors in the next few years to lead the company into newer areas and greater heights.

Vega was using an integrated locally designed and implemented ERP (Enterprise Resource Planning) solution along with a local financial package named Wings to meet its daily operational needs. Moreover, it had some limitations as it was implemented by a local software package provider who was not an expert in the field. As a result the ERP was not working efficiently and many requirements were not met. It was unable to handle the needs of the growing company. The management found it quite difficult to track the resources and updated information with the existing solution.

Vega desired to switch over to a smaller solution that can blend with the needs of the company and can offer real time information to speed up the manufacturing and production operations. For a company of its size, Vega has invested heavily in IT infrastructure and has an integrated ERP package from Microsoft liking all its departments thereby enhancing transparency and efficiency in all its operations

## Solution

Vega evaluated various ERP solutions available in the market before replacing the existing ERP solution. It looked for the one that can meet its unique current requirements and simultaneously can foresee upcoming needs. The solution should have the scope to scale and adapt itself accordingly in future. Vega, already distressed with the inefficiencies of previous solution, wanted the solution provider to be proficient and knowledgeable. It approached B2B Software Technologies, a Microsoft® Certified Partner for the implementation of Microsoft® Dynamics™ NAV 4.0. "We decided to work with B2B Software Technologies as the team seemed very enthused, well-

informed and willing to take up challenges. And it proved to be a trusted partner with consultative and pro active approach towards the whole implementation," states Mr. Vavilala, Director, Vega.

On the selection of Microsoft® Dynamics™ NAV 4.0, Mr. Garimella, Director, Vega, continues, "NAV suits the requirements of our company, it is an efficient ERP solution, feasible for SMEs (small and medium size enterprises) and provides real time information on fingertips all the time. Moreover, Microsoft credibility is backing the solution."

The implementation of Microsoft® Dynamics™ NAV 4.0 started in October, 2007, simultaneously at two of the manufacturing plants in Hyderabad and the solution went live by January, 2008. The modules implemented were Sales and Accounting, Store Management, Project Management, Human Resource, Purchase, and Finance.

B2B Software Technologies customized the Microsoft® Dynamics™ NAV 4.0 solution to match Vega's operations and added new modules to enhance the functionality. The solution was customized to meet the functional requirements of the company. It takes care of manufacturing, assembly of various different components at different sites, trading of components manufactured as well as sub contracting components.

One of the important modules customized was sub contracting. As the company outsources lots of work, this module helps to keep an eye on all sub contractors, and track the material and resources passed to sub contractors from assembly to dispatch. Along with this, the work in progress, work pending and work completed is also taken into account.

Concurrently Dynamics™ NAV 4.0 is customized in such a way that bill of material is also synchronized with it. It provides updated information on raw materials, sub-assemblies, intermediate assemblies, sub-components, components, parts and the quantities of each needed to manufacture a final product. Thus, it is proficiently used for communication between sub contractors or confined to a single manufacturing plant. All the updates are readily available.

"Microsoft® Dynamics™ NAV 4.0 presents the complete dashboard which is one of our prime requirements. Besides it seamlessly integrates with the existing systems and fuels productivity," says Mr. Vavilala, Director, Vega. The solution helps to meet the company's increasingly growing business demands, streamlines all the business processes and improves collaboration among departments.

## Benefits

Microsoft® Dynamics™ 4.0 is a comprehensive business solution that gives flexibility to adapt to new opportunities and growth. It is ideal for SMEs and presents easy access to information, improves company's agility and enhances reporting capabilities. It drives people to be more effective and contribute more to the profitability of the organization.

"We opted for Microsoft® Dynamics™ NAV 4.0 as the solution is equipped with all the essential functionalities for business,' says Mr. Vidyasagar, Consultant, Vega. "It helps to work faster by connecting all the information, people and processes."

### Ameliorates Inventory Management

Vega outsources a lot of its components and hence inventory management along with material management is of utmost importance for the company. Microsoft®

Dynamics™ NAV 4.0 lays emphasis on inventory management as inventory costs are real but difficult to determine and cannot be taken from accounting records. "Microsoft® Dynamics™ NAV 4.0 is an immense help to achieve greater control over inventory, thus reduces cost up to 20 percent," states Mr. Srinivas Garimella, Director, Vega. "The knowledge of inventory holding costs helps managers to take better management decisions."

**Improves Financial Management**

Microsoft® Dynamics™ NAV 4.0 brings greater insights into finances. It manages them with high level of efficiency with the help of the tools that give insight to direct business into competitive direction. These tools help in analysis of reports and financial information, to ascertain business performance. It also reviews financial information and make it available to the management with security enhancements to promote privacy for auditors or higher management.

**Presents User Friendly Interface**

Microsoft® Dynamics™ NAV 4.0 presents simple and user friendly interface which is simple to navigate, learn and use. Besides, it allows seamless integration with the existing applications. "We desired a solution that is easy to use and provides security for future. Microsoft® Dynamics™ NAV 4.0 fulfills the conditions. The data is displayed on a dashboard and is easily accessible to all the authorized staff," explains Mr. Vidyasagar, Consultant, Vega.

**Enhances Efficiency**

Microsoft® Dynamics™ NAV 4.0 has brought efficiency to customer and employee chain. It provides better transparency across all the departments and optimizes the efficiency of staff. Hence the employees are more responsible and accountable. "It constantly

monitors the key performance areas and any issue is immediately notified to the concerned department to take corrective action before it becomes a problem," says Mr. Kumaraswamy, Vega.

The system has created a lot of peace of mind and greatly reduced the pressure on the staff. "Following the introduction of Microsoft® Dynamics™ NAV 4.0, all customer information throughout the company is integrated and held centrally in the system," says Mr. Muralikrishna, National Sales Manager, Vega. "As a result, productivity and efficiency has improved dramatically

**Enhances Reporting system**

Microsoft® Dynamics™ NAV 4.0 allows efficient and improved reports. It provides tools which help in the analysis of reports and the detailed reports provide drill down view.

In addition, the solution has improved vendor management drastically. There is better control between the company and the vendor.

## 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. Customers who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234 in the United States or (905) 568-9641 in Canada. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:
www.microsoft.com

For more information about B2B Software Technologies products and services, call (91) (40) 23372522 or visit the Web site at: www.b2bsoftech.com

For more information about Vega products and services, call (91) (40) (27261123) or visit the Web site at: www.vegaindia.com

## About B2B Software Technologies

B2B Software Technologies was founded in 1997 by a trio of Atlanta-based software experts. These software experts shared a vision to create a professional services company devoted to helping companies improve their operations through the innovative use of Internet technology. Initially, the company concentrated on providing supply chain and e-commerce solutions for manufacturing companies. Over time, B2B amassed significant expertise into financial services and education. B2B Software Technologies leverages its business acumen and technology expertise to create and deliver solutions that work as promised, delivering bottom-line value to the companies and organizations that use them. As a result of the founders' laser focus on customer satisfaction, B2B Software Technologies has seen revenues grow by over 500 percent during the last five years, while maintaining a 100 percent customer satisfaction record.

## 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

## Software and Services

- Microsoft Dynamics
  - MS Dynamics NAV 5.0 SP1
- Microsoft Server Product Portfolio
  - Microsoft SQL Server 2005
  - .NET Framework 2.0
  - Windows Server 2003
- Microsoft Office System
  - Microsoft Office

## Partners

- B2B Software Technologies

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