

# CASE STUDY

## ANJANI STEELS LTD.



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# Introduction

## 1. INTRODUCTION

Manual maintenance of records of various accounts, heads and transactions or activities is troublesome for any organization. The management has to depute remarkable manpower for carrying the activities manually. Also there is a chance of unavoidable human mistakes and error. Mistakes can be done while reporting to the management and government both. Also It is merely impossible to control your business at multiple locations in a single system even with the old technology softwares with distributed modules.

"Post the introduction of the ERP solution, the results has been Terrific." The manpower cost will reduced by 20% percent.

## 2.1 BACKGROUND

Anjani Steels Ltd. is a flagship company of Anjani Group & the first and UP's largest Indian Reinforcement Bars Manufacturing integrated private sector steel company which has to its credit the prestigious ISO 9001:2000, ISO 14001:1996 & OHSAS 18001:1999 certifications by IROQS. This is one of the steel producer of Uttar Pradesh, which produces steel from Ingot/Billets made from Iron ore. The basic raw material from iron ore to finished steel i.e. TMT Bars, Angles, Channels etc. Anjani has emerged as the world-class rebar-manufacturing group. Group is the leading producer of various kinds of rebars along with angles and channels among Indian companies. The entire infrastructure is based on world-class technology to produce HSD Bars, TMT Bars, Angles & Channels.

The company has a state-of-the-art steel plant and is capable of meeting the most rigorous demands of its customers in India. Company made a steely resolution to remodel itself from a product-driven to a customer-driven enterprise.

Responding to changing customer needs started as early as 2003, with a study on cost competitiveness and a formal business plan, followed by ISO 9002 certification and benchmarking initiatives. Realizing the need to further support the re-engineered core processes and quickly align the business processes to radical changes in the market place, Anjani Steel decided to go for a robust solution.

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# Technology

## 2.2 THE NEED AND OPPORTUNITY

The existing technology was a simple replication of the manual system. Not only did it operate as individual islands of information but the technology had outlived its lifetime and was completely obsolete. The employees and management at Anjani Steel faced a cumbersome task exchanging and retrieving information from the system.

Further, the reliability of information obtained was questionable because of inconsistency and duplication of data from different departments. Also there was no built-in integrity check for various data sources. Besides, several times the information against certain items was found missing.

The company adopted ERP technology to take a lead in the competitive steel industry and through constant learning, innovation and refinement of its business operations, has transited seamlessly from a production-driven company to a customer-driven one.

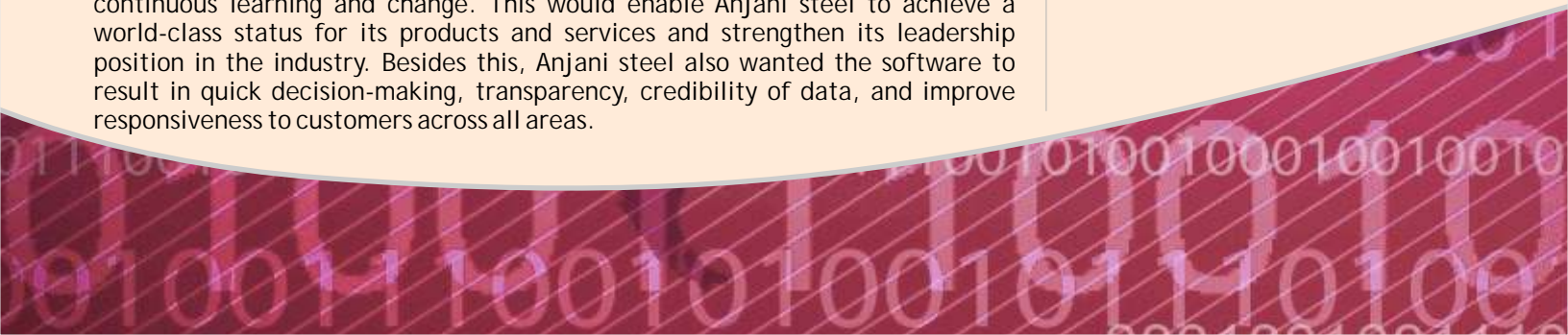
## 2.3 CHOOSING THE PLATFORM & TECHNOLOGY

The management at Anjani Steel wanted the software to seamlessly integrate with its existing information system and further provide compatibility with its future implementations. Single point information of the multiple plant locations and controlling offices, over burdened & heavy flow of approvals receiving to corporate office, difficulties in administrative controls, etc are the major issues which are expected to be satisfied by the selected software. After an in-depth study of functionality, cost, time, compatibility, esteem, operability, support, and future organizational requirements IBS - Integrated Business Suit a web-based ERP software developed by Virtual Galaxy Infotech Pvt. Ltd. fared on the top of the list of contenders. IBS is true 3-tier architecture web-based ERP software built on purely Oracle Technology. As the software is built in web / browser based architecture, the heavy investments required for connecting the locations with 2-tier architecture software is avoided. Company deployed an IBS to help its resolution bear fruit, and now enjoys exciting operational and cost benefits.

The implementation of IBS was associated with certain strategic goals in mind. With this implementation, Anjani steel wanted to bring forth a culture of continuous learning and change. This would enable Anjani steel to achieve a world-class status for its products and services and strengthen its leadership position in the industry. Besides this, Anjani steel also wanted the software to result in quick decision-making, transparency, credibility of data, and improve responsiveness to customers across all areas.

“ Implementing any ERP system is a challenge for an organization because of the declining success rate of ERP implementations world-wide. At Anjani Steel however the real challenge for us did not lie in successfully implementing IBS or in rolling it out to our 2-odd geographic locations across the country under a big bang approach in just eight months. The real challenge lay ahead in building a conducive environment where IBS will be embedded in the hearts and minds of the people and the customers of Anjani Steel.”

**Sanjay Yadav**  
Managing Director





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# Technology

## 2.4 MAPPING TECHNOLOGY TO BUSINESS PROCESSES

A road map was created to achieve the desired levels of success with ERP. All branches which had huge numbers of transactions and complexity were identified as 'hubs.' And the smaller branches along with the consignment agents were defined as 'spokes,' which were attached to these branches. In January 2007 Anjani Steel created a team called 'ERP TEAM', an acronym for Achieve Success through IBS Enabled Transformation.

The ERP TEAM had two simple axioms:

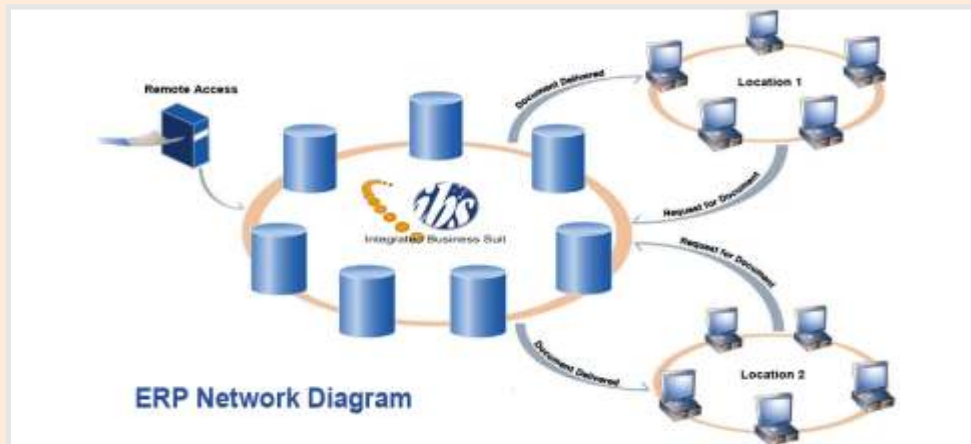
- Go-Live date - 1st June 2007
- There are only 24 hours a day

Preparatory task forces activities were conducted and core business processes were mapped to IBS modules.

A parallel activity called 'Change Management' was initiated within the company. The prime objective of 'Change Management' was to reach out to people involved non-directly in the project to apprise them of the developments taking place.

Anjani Steel planned a 'big-bang' approach of going live with all the modules at the same time. Within eight months, on June 01, 2007, Anjani Steel pulled off a big bang implementation of all IBS modules at one go across 4 locations with the central server system at HO and connectivity between the locations. The deadline was successfully met and entire data from all locations of Anjani Steel comes under a single roof.

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### 3. THE RESULT

The introduction of IBS solutions within Anjani Steel has led to efficient business processes, enhanced customer service, reduced costs, improved productivity, accelerated transaction time, workflow management and reduction in the number of credit management errors. There have also been significant savings in manpower, inventory levels, and resource management.

Anjani Steel can now update its customers daily and provide seamless services across the India, improving customer management. The availability of online information has facilitated quicker and reliable trend analysis for efficient decision-making. Besides, the streamlined business process reduces the levels of legacy system and also provides consistent business practices across locations and excellent audit trail of all transactions.

Handling the heavy approvals becomes easy. Keeping the administrative controls by the management and administrative officers on all locations is easiest task. Total control achieved for issues post dated cheques with the help of SMS alerts. On-time work completion assurance by the system with the help of task management and SMS alerts on nodes / mobiles.

The overdue outstanding has been brought down. The inventory carrying cost has drastically deflated. To add to this, there have been significant costs savings through management of resources with the implementation of IBS."

Sounds almost Utopian doesn't it? But that's exactly the result of Anjani Steel's ERP implementation completed within six months.

# Result

" Now I shudder to think how we were functioning so many years without The IBS renowned ERP system. Along with the hard times we had, came the rewards of the success of implementation "

Mr. Sanjay Yadav  
Member ERP Team at Anjani Steel





# Contacts

## 4. CONTACT DETAILS

Anjani Steels Ltd.  
4, Floor, Sangam Palace, Civil Lines, Allahabad

Steel Company  
Mr. Sanjay Yadav (Managing Director)  
Mobile No. 09415315635, 09956293875, 915453273349  
Phone No. (0532) 2560146/47

Virtual Galaxy Infotech Pvt. Ltd.  
3, Central Excise Colony, Behind Mahatme Eye Bank,  
Near Chhatrapati Sq., Ring Road, Nagpur- 440015 Maharashtra  
(INDIA)

Telefax : +91-712-2244778 / +91-712-2244678  
Email : [info@vgipl.com](mailto:info@vgipl.com) Website : [www.vgipl.com](http://www.vgipl.com)

