



SETCO AUTOMOTIVE LIMITED
DRIVING PEAK PERFORMANCE WITH
INTEGRATED BUSINESS FUNCTIONS

QUICK FACTS

Industry

Automotive - Components

Revenue

INR 353 Cr (US\$76 Million)

Employees

1,000

Headquarters

Mumbai, India

Web Site

www.setcoauto.com

SAP® Solutions and Services

An SAP® Business All-in-One solution with SAP Best Practices localized for India

Implementation Partner

SEAL Infotech Pvt. Ltd.

Key Challenges

- Unify the different systems used in 3 countries
- Enable production of standard company-wide financial reports
- Integrate with the supply systems of external vendors
- Reduce costs of meeting regulatory compliance requirements

Implementation Best Practices

- Provided focused and appropriate training using dedicated resources
- Ensured robust change management
- Employed sophisticated touch-free communication methods
- Provided minimal time lag before employees could test the software on their own

Financial and Strategic Benefits

- Increased production volumes and capacity to meet market demand
- Improved efficiencies and controls for better data accuracy and lower costs
- Improved the standard of quality control and inventory management
- Created more meaningful comparison of financial forecasts
- Resolved issues of cost center transparency.
- Enabled effective decision-making processes at all levels

Why SAP Was Selected

- Capacity to service multiple international sites with 1 solution
- Industry experience and proven success of its integrated software
- Demonstrated functionality and scalability of its software design
- Known capabilities of partner SEAL Infotech Pvt. Ltd.
- Scope to meet company needs in many areas

Low Total Cost of Ownership

- Implementation in accordance with planned schedule and within budget
- Retirement of legacy systems in a cost-effective manner
- Centralized servers quickly proven to be a major cost saver

Setco Automotive Limited supplies precision components to the automotive industry. With operations in 3 countries, Setco recognized that business processes needed streamlining and consolidation to improve the quality of management information and operational controls. An SAP® Business All-in-One solution accomplished this at many levels, leading to improved decision making, and thus higher revenues and profitability.

Operational Benefits

Key Performance Indicator	Impact
Sales to inventory ratio	Increased
Inventory carrying cost	-10% to -15%
Daily shift output	Increased
Rejection to sales ratio	-5% to -8%
Warranty cost to sales ratio	Reduced

“Our SAP solution has standardized processes across the organization and reduced the cost of managing information. In the future we will deploy add-on SAP products, which will extend further the benefits we are now seeing.”

Agnello Rodrigues, Senior Manager IT, Setco Automotive Limited

www.sap.com/contactsap

From Isolated Actions to a Unified Approach

A global business operating in three countries, Setco Automotive Limited recognized the shortcomings of having isolated information systems in each company location. Data consolidation was becoming increasingly challenging, and the company was outgrowing its manual, time-intensive reporting methods. The cost of regulatory compliance in three disparate jurisdictions was climbing, while market pressures were demanding more precise profitability analysis – not only by location but also by product group.

Having decided on a major IT upgrade to unify operations, Setco turned to SAP and its implementation partner SEAL Infotech Pvt. Ltd. for a solution unhindered by organizational boundaries. Senior management recognized the capacity of SAP® software to meet company needs across all aspects of the business, as well as its scalability for future projects. An SAP Business All-in-One solution was chosen due to its proven ability in supplying the manufacturing sector with the right tools for the job.

Empowering People to Take Operational Ownership

SAP and Seal Infotech implemented the company's SAP Business All-in-One solution with Setco employees' ease of use in mind, and with full Executive backing the process became a positive experience for all staff. Resources were dedicated to comprehensive training

and change management support, with clear lines of communication introduced.

It wasn't long before Setco team members were able to test the new software's functionality for themselves. The project proved itself to them with the demonstration of its high-quality electronic touch-free communication and paperless shop floor production-control functions. Employees soon began to appreciate the operational benefits that the solution's seamless integration delivered to them.

A Global Solution for Optimized Performance

As an international company, Setco Automotive now has its desired unified functionality. The SAP solution centrally supports all locations with timely and accurate management information tailored to their particular needs. Different time zones and currencies no longer mean extra manual processing, and government requirements are now fully accommodated from a central server point. For instance, the mapping functions ensure that all critical data is captured, such as what is required of Export-Oriented Units under Indian tax law.

Setco's SAP Business All-in-One solution has proven to pay for itself quickly. Improved production planning has increased output, resulting in higher revenue, since changing customer needs are more effectively satisfied. Faster access to critical data has lowered costs, and improved quality management has reduced rejection rates. Accurate information means that financial forecasting is a more robust tool for growth at the corpo-

rate, individual location, and product-item level. All that – and the project was completed on time and within budget, as well.

As Setco Automotive continues to grow, the company will expand its use of its SAP Business All-in-One solution, starting with a full rollout at its new plant in Uttarakhand, India. The solution has functionalities the company has not yet utilized, suggesting an exciting time ahead as new elements are identified. With its high-performance information management solution in place, Setco Automotive looks forward to a future full of promise and profitability.

Implementation Partner

SEAL Infotech Pvt. Ltd. is a leading SAP solutions provider, working with clients on enterprise resource planning and Web strategies from planning through design, development, and implementation.



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