



Planvisage Product Case Study: Amara Raja Batteries

Quick Reference



Company Name
Amara Raja Batteries Ltd

Manufacturing Industry
Auto and Industrial Batteries

Revenue
Over USD 400 million

Location
Tirupati, India

Solution
Amara Raja Batteries selected Planvisage SCM solution to improve their production planning and scheduling. Their main objective was to improve the planning time from 10 days to a couple of hours.

Implementation Time
The solution was implemented in 15 weeks

Software Specs.
Windows 2003 server
IIS Webservice
.Net Framework 2.0



About Planvisage
Planvisage is one of Asia's leading solution providers for manufacturing companies who face supply chain challenges.

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Client Overview – Amara Raja Batteries

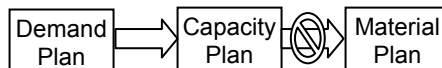
Amara Raja Batteries is a leading producer of auto and industrial batteries with turnover of about USD 300 million. It has a tie up USA based Johnson Controls who have 26% stake in this company. It is one of the largest and most modern automotive battery plants in Asia with installed capacity of 2.5 million batteries per annum. They make all the components required for battery and hence integrated backward in the supply chain.

Planvisage Solution

Amara Raja was in look out for a good planning and scheduling solution since 2006. They evaluated solutions from Preactor and Rockwell before deciding to go ahead with solution from Planvisage. The implementation started in 2007 for both auto and industrial batteries division. The solution was integrated with their Ramco ERP. Main objective of the solution was to improve customer service level and maximize throughput.

Planning Before Planvisage

The marketing team generates the demand for next month with daily schedule. Based on this demand, the capacity plan is manually generated. While creating the capacity plan, no check is made to see if the material is available or not. There is no link to purchase team of which order needs to expedited or de-expedited based on capacity plan. This was creating problem in execution as production cannot start due to lack of material which in turn affected optimum use of resource and customer delivery. There was no feedback to the marketing team on the commitment date based on material and capacity constraints. Since the supply chain was complex, the total planning time was more than a week. Hence their planning frequency was once in a month.



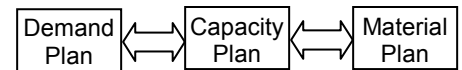
Some of the issues with their planning process were

- End to end planning took about 10 days due to factory complexity and the process was manual

- Planning frequency was once in a month. So any problems like delay from supplier, machine breakdown, cycle time variation or material rejection, the effect was not know until the next month.
- Unable to synchronize multiple departments. Plastic components capacity was shared between auto and industrial batteries. There was no visibility of when the components will be ready for assembly
- Unable to find the critical resource

Planning After Planvisage

Based on the demand generated by marketing team, a single plan is created across multiple department taking into account real time material and capacity constraints. A feedback is provided to the marketing on the commitment date of orders.



It helped Amara Raja in

- Providing advance visibility of which procurement orders have to be expedited / de-expedited based on capacity plan
- Planning frequency was made every day. So any problem like delay of supplier, machine breakdown, cycle time variation or material rejection, the effect was know the very next day.
- Bottleneck resources are effectively loaded and thereby increased throughput.

Testimonials

Earlier there was no feedback loop to marketing team on when the order will be delivered. Now with Planvisage solution, we are able to give continuous feedback to marketing team based on existing material and capacity constraints

- Mr. Balaji Kiran, Chief Planner

Our purchase schedule was not in line with customer schedule which caused us to miss the due dates. Through backward planning in Planvisage, we are able to know which purchase order needs to expedited / de-expedited based on demand and capacity loading

- Mr. Damodar Rao, DGM SCM