IMPLEMENTATION PROJECT

SAP S/4HANA Material Management [MM]

Project Title: SAP S/4HANA MM Implementation for Hindustan Motors Limited (HML)Ltd.

Organization: Hindustan Motors Limited (HML)
Industry: Automotive Manufacturing
Headquarters: Kolkata, India
Plant Location: Chennai, Tamil Nadu
GST No.: 19AABCH1234A1ZL
ERP Project Start Date: January 6, 2025
Go-Live Date: July 10, 2025

Project Overview:

Hindustan Motors is implementing **SAP S/4HANA 2023** to modernize and digitize their procurement and inventory operations across the **Chennai manufacturing facility**, with integration into Finance (FI) and Production Planning (PP). The MM module implementation covers:

- Strategic and operational procurement
- Inventory and warehouse management
- Valuation and account determination
- Vendor evaluation and invoice verification
- Integration with FI and PP for cost flow and production consumption

Implementation Methodology

Activate Methodology – SAP Best Practices with Fit-to-Standard approach.

Project Timeline (6 Months Full-Cycle)

Phase	Duration	Key Activities
Project Preparation	Jan 6 – Jan 17	Project charter, team setup, system landscape
Fit-Gap & Design	Jan 20 – Feb 28	AS-IS/TO-BE, process finalization, WRICEF
Realization (Config)	Mar 1 – Apr 30	Customizing, unit testing, data mapping
Final Preparation	May 1 – May 31	UAT, mock cutover, master data upload
Go-Live & Support	June 1 – July 10	Cutover, go-live, hypercare

Project Team Structure

Role	Name	Org
Project Sponsor	Mr. Arvind Sharma	HML
IT Lead	Mr. Piyush Ghosh	HML
MM Functional Consultant	Mr. you	(ACON)
Basis Consultant	Mr. Karthik Iyer	Freelance
ABAP Developer	Ms. Reena Mehta	SAP Partner
FI Consultant	Ms. Kavita Sinha	Freelance
Data Migration Lead	Mr. Anil Joshi	ACon

Organizational Structure

Element	Value
Client	800
Company Code	HM01
Plant	CH01 – Chennai Plant
Storage Locations	RM01 (Raw Material), FG01 (Finished Goods), QA01 (Quality)
Purchasing Org	HM_PURC
Purchasing Group	100 – Engine, 200 – Electricals, 300 – Body Parts

Master Data: Realistic & Complete

Vendors

Vendor Code	Name	City	GSTIN	Bank	Payment Terms
100010	Bosch Ltd.	Bengaluru	29AACCB3381D1Z7	SBI	30 Days
100011	MRF Tyres	Chennai	33AABCM1234M1Z5	HDFC	15 Days
100012	Bharat Forge	Pune	27AABCB1234N1Z2	ICICI	30 Days
100013	SKF Bearings India	Ahmedabad	24AACCS2996R1Z8	Axis	30 Days

Materials

Material Code	Description	Type	UoM	Price	Val. Class	Price Ctrl
RM_BRG_01	Ball Bearing SKF 6205	ROH	PC	₹320	3000	S
RM_TYR_01	MRF ZVTV 185/65R15 Tyre	ROH	NO	₹4,250	3000	S
RM_ENG_01	Bosch Fuel Injector	ROH	PC	₹1,150	3000	V
FERT_CAR_01	HML Ambassador Sedan	FERT	NO	₹5,45,000	7900	S

Key Procurement Processes

1. Procure-to-Pay Flow

- **ME51N** – Create Purchase Requisition for 100 Tyres
- **ME21N** – Purchase Order to MRF Ltd.
- **MIGO** – Goods Receipt with 101 Movement
- **MIRO** – Invoice Posting
- **F-53** – Vendor Payment by FI team

2. Stock Transfer & Inventory

- **MB1B** – Transfer Engine Blocks between CH01 and WH02
- **MIGO** – Return to Vendor with movement type 122
- **MI07** – Physical inventory adjustment

3. Automatic PO from Requisition

- Configuration for automatic PO generation for fixed vendor + info record

4. Source Determination

- Source list & quota arrangement maintained for bearings
- Bosch: 60% quota, SKF: 40%

5. Release Strategy for PO

- Multi-level approval:
  - ≤ ₹50,000: Auto Release
  - ₹50,001–₹5,00,000: Manager Approval
    - ₹5,00,000: Procurement Head Approval

Configurations Overview

- **Material Types Used**: ROH, FERT, HAWA
- **Movement Types Used**: 101 (GR), 102 (GR Reversal), 122 (Return), 201 (Cost Center Issue), 311 (Plant to Plant)
- **Account Determination**: Valuation Grouping Key: 0001, Valuation Class: 3000, 7900
- **Automatic PO Settings**: Vendor master + Info Record config done
- **GR-Based Invoice Verification**: Enabled for all standard POs

Final Deliverables (Training Output)

- ✓ Business Blueprint Document (60+ pages)
- ✓ Configuration Document (with SPRO navigation and screenshots)
- ✓ Master Data Excel Sheets
- ✓ UAT Scripts (Test Scenarios + Results)
- ✓ End-User Manual (PO, MIGO, MIRO, etc.)
- ✓ Cutover Activity Sheet
- ✓ Go-Live Report
- ✓ Post Go-Live Support Plan

Real Business Challenges Simulated

- Emergency procurement for failed component during production
- Vendor dispute – Quality rejection and return
- In-transit stock loss and valuation adjustment
- GST input credit reconciliation
- Physical inventory mismatch handling