

SAP B1 Enhancement for Leading Consumer Electronics Manufacturer (Warranty Return Process)



Warranty Return Process

The Summary

Client has approached AG Technologies to develop an application where they can track their Warranty Return Process in SAP B1 system.

The Client

Client is into Sales & Distribution of color television sets & other completely built units comprising of consumer durables & appliances. Company has been operating since July 2004 and employs more than 400 people including 50 R & D scientist and engineers and 200 skilled service engineers. Company has 23 branches and 31 warehouses spread across India. The company also plans to open 30 exclusive showrooms and 94 service centers across the country. Company is well positioned to further strengthen its market position and fully capture the emerging opportunities in the high growth television industry of the country.

The Challenge

Currently Client is using web-based application for handling the Warranty Return Process. This application is stand alone and was not integrated with SAP Business One.

Business Requirement

Client has approached AG Technologies to develop an application where they can track their Warranty Return Process in SAP B1 System.

The Solution

AG Technologies approach for developing Warranty Return Process application was as follows -

- Used Inventory Transfer, Goods Issue transaction screens.
- **Process defined for Inventory Transfer**
 - Spare Parts will be sent on consignment from respective branches to its franchisee and stock will be maintained in TCL consignment warehouse.
 - Inventory transfer will be done in SAP B1, by selecting franchisee customer and OK warehouse of respective branch, followed by_item and consignment warehouse of that branch.

Project Summary

Industry: Trading

Client Profile:

Client is into Sales & Distribution of color television sets & other completely built units comprising of consumer durables & appliances

Solution:

To develop an application wherein they can track their Warranty Return Process in SAP B1 ERP system.

Solution Benefit:

- Control on spares if in warranty or not. If spares are not in warranty automatic generation of Invoice.
- Credit limit will be verified at each transaction. If exceeds the transaction will go for approval.

- Credit limit will be maintained franchisee wise i.e. credit limit on consignment, if consignment credit limit exceeds at the time of inventory transfer, document will be send for the approval. Credit limit will be checked against the selling price * quantity for the document, including all previous document entered.
- Selling price UDF will be given in inventory transfer, which will be populated automatically once franchisee customer and spares item gets selected.
- Franchisee wise and Item wise price list be maintained in the system.
- **Process for Consignment Return**
 - Consignment return will be made in the system, for spares return by franchisee.
 - Franchisee customer, Consignment warehouse will be selected at the time of entry, after pressing CTRL + Tab (Bonded Warehouse Item selection), system will show all pending documents from Consignment warehouse. User will select spares items which are in warranty or non-warranty, according to the nature of the transaction.
 - Two separate return transactions will be made in the system for the spares in warranty or spares out of warranty.
 - At the time of consignment return entry user has to select Return against warranty or non-warranty after selecting consignment return series defined by TCL.
 - If Consignment against warranty is not received within 45 days then it will be treated as non-warranty and invoicing will be done for the same. SAP B1 will send alert for all those spares and once consignment return will done by user, system will add the spares stock in OK Warehouse and after adding the document sales order screen will be populated and franchisee customer, item details and user had to fill other relevant details such as taxes etc.
 - Once Consignment transfer document is selected by user, system will verify that this consignment is in warranty or out of warranty (if exceeds 45 days logic, then treated as out-of-warranty).
 - If out of warranty then OK warehouse will be selected automatically and not allowed to change in item detail. At the time of adding the record, system will give confirmation message about the transaction is out-of-warranty and invoicing will be done for the same. After confirmation by user transaction get posted with necessary costing effect and sales order screen is populated for the entry.
 - For spares in warranty user has to select reason for defect type. Depends upon the reason selected, goods issue entry will be generated automatically and posted tin specific GL A/c based on the reason.

SAP Modules and Version:

SAP Version : SAP Business 2007B

The Solution Benefit

- System will verify that the consignment is in warranty or out of warranty (if exceeds 45 days logic, then treated as out-of-warranty). And if it is out-of warranty invoice will be generated automatically.
- Credit limit will be verified and if it exceeds, inventory transfer will go for approval.
- Selling price UDF will be given in inventory transfer, which will be populated automatically once franchisee customer and spares item gets selected.
- Based on the reason selected for warranty items, respective GL a/c gets posted.