

Andhra Paper Limited

Relocating mission-critical SAP systems to separate from parent and prepare for growth

Established in 1964 and headquartered in Hyderabad, India, [Andhra Paper Limited \(external link\)](#) is one of the country's largest integrated paper and pulp manufacturers.

With a total production capacity of 240,000 tons a year, the company manufactures writing, printing and copier paper for foreign and domestic markets, and employs around 2,500 people.

Business challenge

As it prepared to separate from its US-based parent company, Andhra Paper targeted a smooth and cost-efficient way to relocate its mission-critical SAP business systems to India, some 9,000 miles away.

Transformation

Working with experts from Kyndryl™, formerly IBM Infrastructure Services, Andhra Paper moved to Enterprise Application Managed Services for SAP Solutions on IBM® Cloud®, transitioning to the new platform with minimal business impact.

Results

Five FTEs saved, helping to reduce operational costs of delivering vital SAP business systems.

Up to 10% faster month-end closing, offering deeper insights into financial performance.

Delivers instant visibility of entire investment portfolio, enabling rapid optimizations to boost returns.

“Throughout the project, the communication between Kyndryl and our project team was outstanding, and we always had confidence that we were in safe hands.”

Sreenivas Pamidimukkala
CIO
Andhra Paper Limited

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Long-distance journey, minimal business impact

As it separated from its US parent company, Andhra Paper aimed to move its SAP business systems 9,000 miles to its new center of operations in India. Working with Kyndryl, Andhra Paper embraced Enterprise Application Managed Services for SAP Solutions on IBM Cloud—helping it achieve the transition with minimal business impact. Building on this foundation, Andhra Paper engaged Kyndryl to move it to SAP S/4HANA, unlocking valuable efficiencies.

Preparing for data-driven operations

As Andhra Paper prepared to leave its US parent and join a new group of companies in India, time was of the essence to find a platform for its mission-critical SAP® ERP business systems.

Working side-by-side with Kyndryl, Andhra Paper completed the changeover to India as planned, and moved its core SAP solutions to managed services on IBM Cloud.

“The final stage of our move coincided with the first peak of COVID-19, but Kyndryl was so well prepared that the pandemic barely made a dent in our project,” says Sreenivas Pamidimukkala, CIO at Andhra Paper Limited. “In my 25 years in IT, I’ve rarely experienced a partnership as effective as the one we have with Kyndryl. Working with Kyndryl was a genuine pleasure.”

Following the success, Andhra Paper again engaged Kyndryl to help it move to the next-generation ERP SAP S/4HANA, with cutting-edge solutions for treasury and governance, risk, and compliance.

“SAP S/4HANA and the SAP Fiori user experience will empower our managers to make faster, better-informed decisions, helping the company to unlock operational efficiencies and drive its growth in India,” adds Pamidimukkala.

“One of the best things about working with Kyndryl is that their team are industry and technology experts. We never had to tell them what to do—they always anticipated our needs and took proactive steps to keep our move to cloud on track.”

Sreenivas Pamidimukkala
CIO
Andhra Paper Limited

Identifying the challenges

For many years, Andhra Paper has relied on SAP solutions, hosted in the US by its parent company, to drive its business processes across India—including core workflows such as procure-to-pay, order-to-cash, and plan-to-produce. Because SAP applications are integral to the company's operations, managing the cost and risk of a move from the US to India were key objectives.

"Our production lines are rolling 24 hours a day, seven days a week," explains Pamidimukkala. "Since our business is cash-intensive and margins are not very high, it was essential to minimize the time our SAP systems were offline during the move."

As well as solving the challenge of relocating more than 10 TB of SAP data over 9,000 miles, Andhra Paper looked to find a way to achieve the goal without any physical access to the existing SAP ERP systems.

"Our former parent company has rigorous System and Organization Controls policies, which prevent anyone other than their own administrators from accessing the data center where our SAP ERP data resided," recalls Pamidimukkala. "We therefore had to come up with an approach that would allow us to extract that data without the need for an employee of Andhra Paper—or any other third party—to perform the work on site."

Trusted partner, global reach

To operate its SAP solutions, Andhra Paper selected Enterprise Application Managed Services for SAP Solutions on IBM Cloud.

"Because our operations in India are in relatively small cities, finding the local resources to staff a new data center would be too costly, complex, and risky," comments Pamidimukkala.

"We felt the cloud was the optimal choice. By moving to IBM Cloud, we eliminated the need to recruit system administrators—avoiding the addition of five full-time equivalents FTEs in IT, and keeping our operational costs lean. Most importantly, our team is free to focus on developing value-added services for the business, secure in the knowledge that Kyndryl is looking after our vital SAP systems 24/7."

Steering the company to greater success

With the data successfully transferred, and the SAP ERP solutions fully operational, Andhra Paper immediately chose to move to SAP S/4HANA, assisted by Kyndryl and its implementation partner, to enable near-real-time insight and gain the benefits of data-driven decision-making.



Pamidimukkala continues, “With SAP S/4HANA, the company has cut its month-end closing process by up to 10 percent, offering deeper insights into financial performance. We also anticipate that SAP S/4HANA will deliver significant benefits for our treasury management process. By automating formerly manual, spreadsheet-driven work, we will gain instant visibility of our entire investment portfolio—empowering our team to make optimizations to boost our returns. And when our new SAP S/4HANA governance, risk, and compliance solution goes live, we will steer all these decisions within a regime of rock-solid business controls.”

The company plans to extend its use of integrated SAP solutions. Pamidimukkala confirms, “Around 90 percent of orders arrive via a web portal, based on a third-party tool. By replacing this technology with SAP Commerce Cloud, we will gain the efficiencies of a single-vendor solution, and deliver a streamlined ordering and support journey for customers—enhancing the experience and boosting satisfaction.”

Room to grow in the cloud

Thanks to services from Kyndryl, Andhra Paper avoids the need for manual work from the SAP BASIS level down—helping it to focus on core competencies and pursue business growth.

“With SAP S/4HANA, Andhra Paper gains faster insights into almost every aspect of our operations,” concludes Pamidimukkala. “When the time comes to open up a new manufacturing site or make an acquisition, we know that IBM Cloud delivers the scalable, cost-effective infrastructure platform to enable Andhra Paper to seize those opportunities immediately.”

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