

NEWS RELEASE

Meghmani Organics Augments Expansion Plans With MySAP All-In-One IT Solution

A Leading Global Manufacturer of Pigments and Agrochemicals, Meghmani Organics focuses on enhancing productivity and customer value with, a MySAP All-In-One Solution for the Chemicals Industry.

Singapore, July 5, 2005 – Further strengthening its position as a global leader in the manufacture of pigments and agrochemicals, SGX Main Board-listed **Meghmani Organics Limited** (“Meghmani Organics” or “the Company”) today announced that it has completed its implementation of CHEM100, a mySAP All In One solution pre-configured by Unisoft Infotech for the Chemicals Industry. The system, which is part of the Company’s dynamic growth strategy to enhance productivity and customer value, went live on 30th April 2005.



With the CHEM100 system, Meghmani Organics aims to capitalize on expansion opportunities and intends to strengthen its business operations by means of real-time, accurate information to facilitate the management to make sound business decisions and improve efficiency.

“As a global company with more than 100 leading MNCs in the pigment and pesticide industries as our customers, we are continuously geared toward business excellence. Implementing CHEM100 configured on mySAP ERP is our first step in achieving operational excellence by optimizing the efficiency of our business processes. With this ERP implementation, we are moving towards increased co-ordination and better operational control, thereby enhancing our service quality to our customers. This ultimately leads to further growth for our business,” said Mr Ashish Soparkar, Managing Director of Meghmani Organics.

Financial Benefits

In implementing CHEM100, Meghmani Organics is in a strong position to reap financial benefits. With the new system, the Company expects increased visibility across the various customer hierarchies and groups at any given point in time, which will ultimately enable better cash flow management, and provide visibility of accounts receivable and stock levels at locations.

The availability of real-time data has compressed the monthly closing of accounts to two days and has enabled real-time generation of sales reports, an invaluable management tool for sales and distribution managers. “The new reports analyze our daily business performance by providing the management with accurate and timely information to make sound and quick decisions,” said Mr Soparkar.

Logistics Benefits

The Purchase and Materials Management modules in the ERP have had a significant impact in improving Meghmani Organic’s raw materials planning cycle. The Company expects that the purchasing cycle will reduce tremendously and be paperless. In the past, getting an approved purchase request (PR) was a lengthy and manual process.



Now, managers within the Company approve all the PRs online. Should the PRs exceed the pre-set approval limits, then the purchasing officer will be unable to authorize the transaction and it will be escalated to the purchase manager.

There is now only one single point of data entry, with each transaction undergoing on-line validity checks while related modules are concurrently being updated. This reduces manual entry, thus minimizes the margin of error. The different processes have traceability - for example, the status of each purchase order can be verified in terms of where it is, who is working on it and who has seen it.

Added Mr Soparkar, “With this implementation of CHEM100, we gain SAP Best Practices for Chemicals which is based on more than three decades of SAP’s experience working with leading chemicals companies around the world. It will accelerate our implementation while minimizing the project risk and optimizing value of the solutions.”

Future Plans

In the pipeline, Meghmani Organics has plans to further implement IT resources which support Production Planning (PP), Human Resources (HR), Business Warehouse (BW), Plant Maintenance (PM) and Quality Management (QM).

“The first phase comprises the core modules, where our processes were streamlined and fine-tuned to help spur business growth. The second phase would be to extend the real-time co-ordination between production, quality, maintenance of plants and human resource management,” explained Mr Soparkar.

Implementing and Training

With the help of its internal IT arm, Meghmani Organics performed a thorough evaluation of several ERP platforms, including offerings from Oracle and Microsoft, before they decided on SAP.

“The whole Implementation process was well organized and executed by Unisoft Infotech”, observed Mr Soparkar. “All of our requirements were well anticipated and identified, the business procedures and processes were efficiently and accurately documented. The main challenge was to familiarize the users with systems and this was planned and executed very efficiently”.

Training was duly rolled out to the users in order to familiarize them with the system and included instructions in the use of process maps that laid out the features of the system, based on the different workflow processes.

About Meghmani Organics Limited

Established in Gujarat (India) in 1986, Meghmani is a manufacturer of pigments and pesticides. The Company specializes in the manufacture of green and blue pigment products that span multiple applications such as printing inks, plastics, paints, textiles, leather and rubber. Its pigment customers comprise mainly MNCs who are leading players in their respective industries.

Meghmani also produces a broad spectrum of commonly used pesticides for crop and non-crop applications such as public health, insect control in wood preservation and food grain

storage. The Company counts amongst its customers leading pesticide manufacturers from North America, Europe, Latin America and Asia.

Over the years, Meghmani has rapidly expanded its geographical coverage from India to overseas markets in Europe, the US, Latin America and Asia Pacific. For the last financial year ended 31 March 2005, export sales accounted for more than 72% of the Company's total revenue. For the year ended March 30, 2005 ("FY2005"), Asia (excluding India) contributed to 13% of the Company's revenue. The domestic market in India accounted for 27% while the North America and Europe contributed 26% and 22% respectively to the Company's revenue. The remaining contributions came from Meghmani's other markets in Africa (3%), South America (7%), and Australia (2%).

CONTACT INFORMATION

August Consulting

Tel: (65) 6733 8873

Fax: (65) 6733 9913

Winston CHOO – winston@august.com.sg

Silvia HENG – silvia@august.com.sg

Meghmani Organics Limited

Tel: 91-79-26640688 / 69

Fax: 91-79-26640670

Deval SOPARKAR – deval@meghmani.com