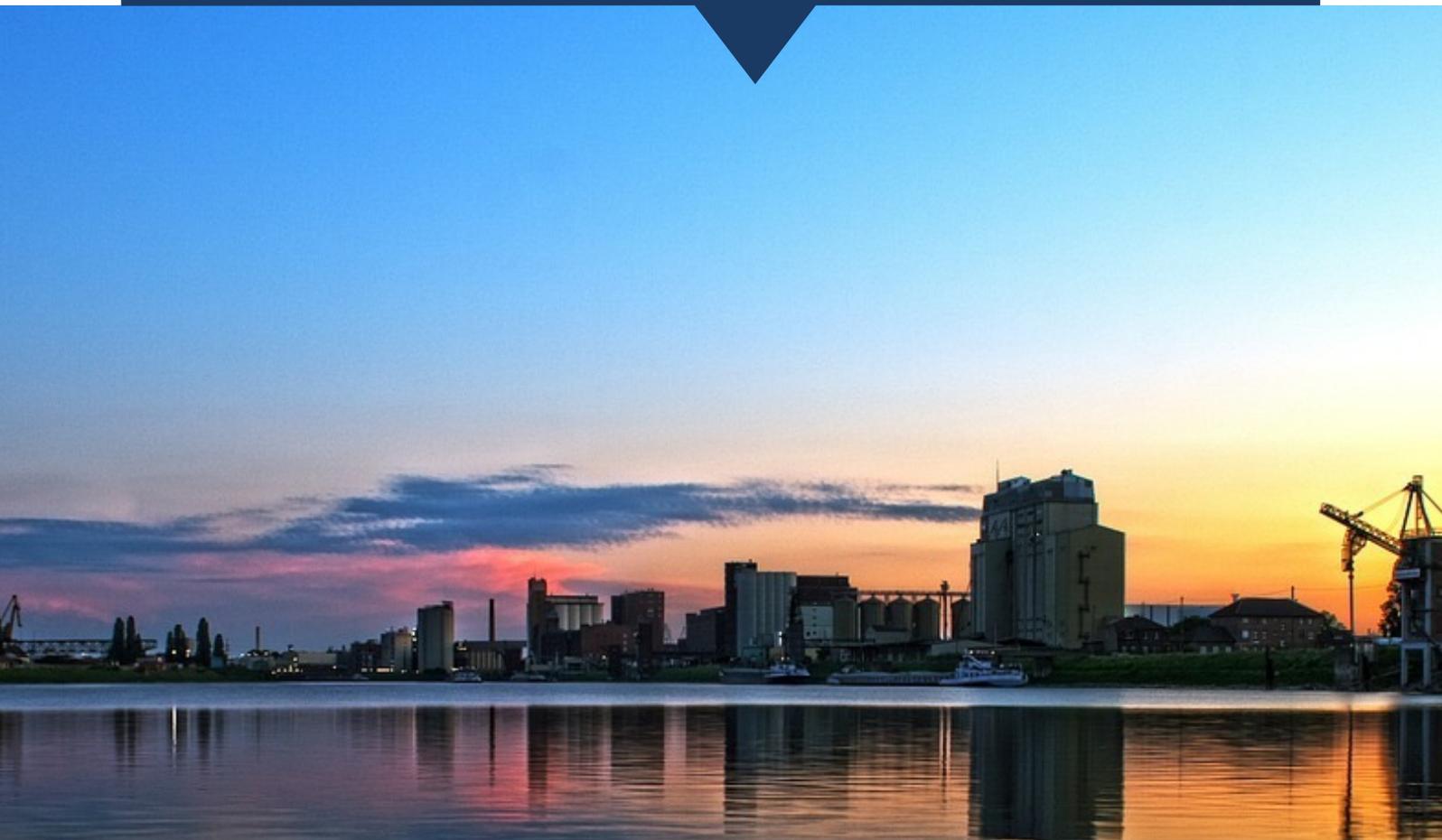


## CASE STUDY : ROTOMAG & ROTOMOTIVE



**Enabling Cost Control & Revenue Growth**



**Industry**

Motors & Gearboxes

**Scale of Operations**

- 1 Manufacturing Location
- 8 Zonal Offices
- 70+ Dealers
- 55 Service centres
- 3 Warehouses

## About Rotomag & Rotomotive

Rotomag Motors & Controls Pvt. Ltd. started in 1966, is a Gujarat based company manufacturing DC motors. They manufacture a comprehensive range of Permanent Magnet D.C. motors, Wound field D.C motors, Gear Motors, Battery Operated D.C. Motors, Speed Reducers and Custom PMDC motors engineered for high performance.

Rotomotive Powerdrives India Limited, a joint venture company between Rotomag Motors & Controls Pvt Ltd. & Motive Srl (Italy), focusses on manufacturing AC motors and Gearboxes. The company was incorporated in 2006. Rotomotive supports customers through a nationwide network of 70+ dealers, 55+ service centres, 8 sales locations and 3 warehouses.

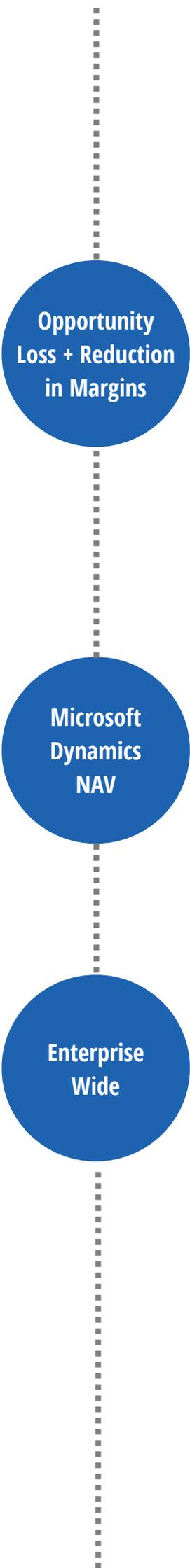
## Business Scenario

Rotomotive Powerdrives manufacture standard and Make to Order products. They are focussed on domestic markets and have a combination of Direct Sales teams and Dealer Network to cater to different segments of Indian customers. They were using Tally for financial accounting and a local product for Inventory Control.

## Challenges faced

The most visible issue was in Sales and Marketing. They were managing a huge salesforce and Dealer network - but they were unable to keep track of opportunities and exercise control over their sales network. Sales closures took a longer time and sometimes resulted in loss of business. There was also a growing need for space to stock raw materials and finished goods.





**Opportunity  
Loss + Reduction  
in Margins**

**Microsoft  
Dynamics  
NAV**

**Enterprise  
Wide**

## Impact

The impact was gradual but critical. Rotomotive faced challenges of rising costs, namely:

- Cost of sale
- Selling expenses due to lack of expense control
- Rents because of increasing need for Stock keeping locations.
- Working Capital costs because of piling up of inventory.

Though the revenues were growing, there was delay in booking the revenues. Opportunities were sometimes lost because of delay in executing the sale.

## Solution

Microsoft Dynamics NAV and the right implementation of Microsoft Dynamics NAV solved their challenges. Microsoft Dynamics NAV is easy-to-use enterprise resource planning (ERP) software that helps companies worldwide manage their accounting and finances, supply chain, and operations. Intech Systems implemented Microsoft Dynamics NAV for Rotomotive. Intech Systems, established in 1979, is a leading solution provider of Microsoft Dynamics with an experience of 10+ years in implementing Microsoft Dynamics solutions in India and Worldwide.

## Modules Implemented

Intech Systems implemented Microsoft Dynamics NAV enterprise-wide. From functionality perspective, Intech Systems implemented Microsoft Dynamics NAV across Customer Relationship Management (including opportunity & sales management), Supply Chain Management (including Demand Planning, Procurement, Inventory, Warehouse Management, Supply & Production Planning, Production Management, Shipments & Exports), Financial Accounting & Management.



## Efficiency in Sales through Product Configurator

Rotomotive faced issues in conversion of sales pipeline and lost opportunities. They lacked tools that integrated the process of sales teams with Design teams and Supply Chain teams.

Intech Systems developed a customised Product Configurator on Microsoft Dynamics NAV which enabled the sales teams to configure the products real-time based on customer's requirements. The configurator was loaded with all the logics of product design and feasibility. That way, any product configured by the product configurator would automatically be design approved. This led to shrinking the time spent between sales and design teams and automatic price calculations. It ensured that sales teams quoted to the customer quickly and accurately. It also solved the problems of wrong commitments to customers on product feasibility during the sales process.

## Enabling Control on Selling Expenses & Discounts

One of the problems faced by Rotomotive was rising cost of sales. The sales expenses were increasing and it was difficult to maintain control. The discounts offered to the customers were also increasing leading to reduced margins.

Intech implemented a sales expense system that was directly linked to sales activities. CRM module in Dynamics NAV was used by sales organization to record the sales activities. Intech further enhanced the sales expense system where, every expense had to be linked to a sales activity. This enabled Rotomotive to identify and take control measures to curtail expenses out of unnecessary sales activities.



Intech also implemented a Workflow driven Discount Management System in Dynamics NAV which helped to control sales discounts effectively without loss of sales. It included an audit trail for excessive discounts offered. This process ensured control, analysis & corrective action of excess discounts provided. The online approval process also ensured speedy discount decisions.



NEELAM BADANI  
DIRECTOR  
ROTOMAG MOTORS & CONTROLS

## Controlling the Cost of Inventory

Rotomotive faced problems in both increasing inventory. The stocks of raw materials and finished goods were piling. The cost of inventory was also increasing as the working capital interest and the warehouse rents were going up.

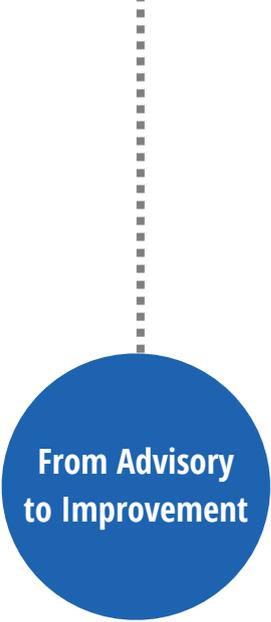
By implementing the warehouse management system in Dynamics NAV, Rotomotive was able to optimally utilise the available store space. Using the expiry management feature, they were able to track the expiry dates of raw materials and utilise them before they go waste. This greatly helped them in avoiding inventory wastage. The implementation of Minimum order quantity, Production Planning and Material planning in Dynamics NAV, helped them in establishing audit trail and control to purchasing raw materials and reduce excess inventory situations and working capital costs.

## Results

Microsoft Dynamics NAV helped Rotomotive to experience visible results in both increasing their revenues and controlling the costs. Revenues were improved by increasing the effectiveness of their sales organisation through implementation of CRM and Product Configurator. The Selling Costs were reduced by implementation of Expense management & Discount management system that were integrated with Sales and CRM systems. Warehouse rents were controlled as their existing warehouses were effectively used using the warehouse management system. And the inventory was right sized through the implementation of Material Planning function and Production Systems.

“ The principle reason we bought NAV Dynamics was the availability of a CRM solution along with an ERP that could help us streamline and manage our Sales force as well as manufacturing. The idea of my sales persons logging in from anywhere in the country and being able to create a quote for any of our products was very appealing to us.

What we really like about this implementation is the keen interest shown by the implementation team in working with us to understand and analyze our processes and offer us a solution that best fits them”



**From Advisory  
to Improvement**

## **The Intech Difference**

Intech value added in 2 major areas. The first one and the most important one was to give a proper analysis of the process problems that Rotomotive. Intech acted as a business consulted and not merely as an ERP implementer. The second value addition from Intech a participatory approach to ensure that ERP implementation actually got converted to actual process improvements in the business. Today, Intech, continues its journey with Rotomag & Rotomotive to make further process improvements through Microsoft Dynamics NAV.



## About Intech Systems

Intech Systems, established in 1979, and based out of Ahmedabad (Gujarat, India), is Gujarat's First IT company. Intech is a software consulting company focused on ERP implementation and management services. Intech's key financial and business performance indicators fetched the valuable CRISIL Ratings SE 2B, as per the norms of Indian Government and NSIC. In India, Intech is one of the top resellers and implementation partners of Microsoft Dynamics NAV and Microsoft Dynamics AX. Globally, Intech's strategy is to support other Microsoft Dynamics NAV partners by providing development support. Intech has its operations in India and USA. For more details, visit [www.intech-systems.com](http://www.intech-systems.com).

## About Microsoft Dynamics NAV

Microsoft Dynamics NAV is quick to implement, easy-to-use enterprise resource planning (ERP) software that helps more than 100,000 companies worldwide manage their accounting and finances, supply chain, and operations. It's part of a complete solution for business from Microsoft that helps you work and grow efficiently. For more details, visit <http://www.microsoft.com/en-in/dynamics/erp-nav-overview.aspx>.



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