



Automotive Components Manufacturer Achieves Production & Quality Excellence through Microsoft Dynamics AX

highlights

A group of three companies manufacturing automotive suspension components, with extensive third party contract manufacturing operations, owns a sizeable market share in the Indian auto-components manufacturing space. It supplies components to major Auto OEMs across the nation.

Given the tight production schedules & stringent quality measures prevalent in the industry, the company was facing challenges related to production processes & contract manufacturing operations. To sustain the current growth trajectory & maintain healthy contractual relationship with its customers and suppliers, the company needed a centralized business solution to help accelerate production cycles & ensure strict quality control besides monitoring intra & inter-company transactions.

Alletec's in depth knowledge of Automotive Components manufacturing business, along with its solution capability with Microsoft Dynamics AX, convinced the company to select Alletec as its advisory & implementation partner for Microsoft Dynamics AX.

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| Group Turnover | USD 1 bn |
| Products | <ul style="list-style-type: none">▪ Alternator & Starter Motor Parts▪ ATM Parts▪ White Good Parts▪ Fuel Systems▪ Brake Systems▪ 2 / 3 Wheeler Switches & Parts▪ 4 wheeler Switches & Parts |
| Facilities | ~16 |

business situation

The business processes of the automotive components industry pose big demands on the entire supply chain system. The highest priority in this industry is ensuring that delivery deadlines are met. Scheduling and logistics procedures are challenged daily. Furthermore, operational efficiency, cost effectiveness, quality control and data transparency are imperative to remain competitive. Few typical challenges encountered by the company were:

- Immaculate quality, packaging & product labeling had to be maintained to ensure conformity to customer prerequisites before a shipment was dispatched. Keeping a track of these was a critical task and yet a tough one to ensure an error-free shipping protocol & hence avoid costly errors.
- Lack of visibility into inventory & process details impeded the production cycles due to inefficient material requirement planning which in turn impacted the delivery schedules.
- Contract manufacturing was highly cost ineffective due to inefficient in-house production planning resulting in unanticipated sub-contracting requirements.



the Alletec business solution

Alletec proposed a unified platform for multi-location operations management to overcome typical auto-components industry challenges that the company was facing.

- Production, inventory, quality control, fixed assets, taxation & financial modules of AX were implemented, with the needed customization.
- A standard work-time template to enable activity specific time-allocation & facilitate efficient production processes was created.
- Bar coding introduced on invoices & packaging labels for simplified tracking.

the benefits

- Insights into WIP inventory helped plan materials purchase & production efficiently to meet delivery timelines. This also optimized the contract manufacturing costs.
- Automated processes & data integration minimized manual efforts and eliminated potential for human error.
- Process transparency facilitated better control which in turn ensured highest quality of components being supplied.
- Bar code integration automated the data entry function which allowed easy tracking of delivery dates & hence track the customer outstanding balances for maintaining cash flow register.

results

- Shorter production cycles leading to timely deliveries.
- Highest quality control & flawless precision in packaging & shipments.
- Healthy customer relations resulting in repeat orders.
- Centralized control over processes facilitates informed decision making.

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