

## About Indiaengineering

Indiaengineering, a part of the \$900 million Kalyani Group is India's leading Value Added Service Provider for **Procurement** and **Asset Management Services**. Our domain oriented 'Value Added Services' like Consultancy, Market -Making, Sourcing and Asset Intelligence form the key to value creation. Our objective is to help businesses leverage the advantages and efficiencies of leading e-business applications like eSourcing and eDisposals at significantly low costs giving 'Fastest time to ROI'.

# procurement services



### Corporate Office : Pune

#### Synise Technologies Pvt Ltd.

Shree Swami Samarth,  
64, Adhyapak Society,  
Sahakar Nagar, Pune 411009  
Telephones : +91- 20 - 24231573 / 74 / 75  
Fax : +91- 20 - 24231577  
Email : [procurement@indiaengineering.com](mailto:procurement@indiaengineering.com)  
[assetmgmt@indiaengineering.com](mailto:assetmgmt@indiaengineering.com)

### Mumbai

#### Synise Technologies Pvt Ltd.

C/o Bharat Forge Ltd  
B - 151, 15th Floor, Mittal Towers  
Nariman Point, Mumbai - 400 02, India  
Telephone : +91- 22 - 22029654 / 42  
Fax : +91 - 22 - 22040053  
E-mail : [iebom@synise.com](mailto:iebom@synise.com)

### Ahmedabad

#### Synise Technologies Pvt Ltd.

T/28, Muncipal Karmachari Nager  
near Sarvodaya - Vibhag 1  
Sola road, Ahmedabad - 380061  
Email : [ieamd@synise.com](mailto:ieamd@synise.com)

### Bangalore

#### Synise Technologies Pvt Ltd.

C/o Bharat Forge Ltd  
2nd Floor, Bhagirathi Building, 8 / 1, Lalbaug Road  
Near Richmond Circle, Bangalore - 560 027, India  
Telephone : +91 - 80 - 2126710  
Fax : +91 - 80 - 22220366  
Email : [ieblr@synise.com](mailto:ieblr@synise.com)

### Chennai

#### Synise Technologies Pvt Ltd.

C/o Bharat Forge Ltd  
26, Ethiraj Salai, 3rd Floor  
Chennai- 600008, India  
Telephone : +91 - 44 - 28256360  
Fax : +91 - 44 - 28270921  
Email : [iemaa@synise.com](mailto:iemaa@synise.com)

### Delhi

#### Synise Technologies Pvt Ltd.

C/o Bharat Forge Ltd  
Antriksh Bhavan, 14th Floor, 22 Kasturba  
Gandhi Marg New Delhi - 11 0 001, India  
Mobile. - 9811899132  
Email : [iedel@synise.com](mailto:iedel@synise.com)

<http://www.indiaengineering.com>

<http://www.synise.com>



We make Procurement Strategic, Faster and Cost effective



# overview

“Procurement - one of the key strategic differentiators to control costs, manage quality, and improve responsiveness”

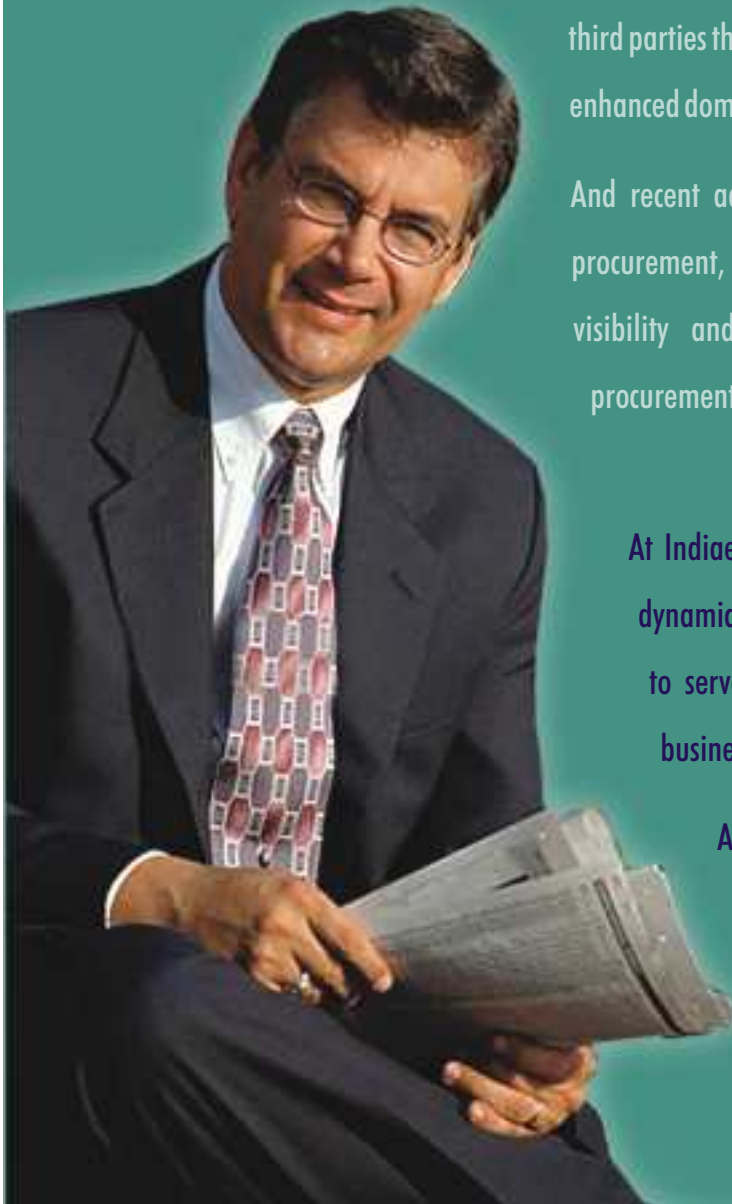
Procurement outsourcing is shaping up as the next big trend in supply management. Enterprises are out-sourcing sub-optimal procurement activities and poorly controlled spend categories over to highly specialized procurement service providers. Enterprises today are looking at outsourcing as a way to enhance overall procurement and supply management operations by transitioning under-performing assets or processes to

third parties that can deliver greater economies of scale, process efficiencies, and enhanced domain expertise than are available or practical to develop in-house.

And recent advances in Internet-based procurement technologies (e.g., e-procurement, e-sourcing, reverse auctions, exchanges) provide the necessary visibility and control to effectively monitor and manage outsourced procurement processes.

At Indiaengineering, we provide the infrastructure and applications to dynamically assemble the right business processes, services and partners to serve all customer segments thereby building and strengthening business partner relationships for greater loyalty and liquidity.

As India's leading Value Added Service Provider, our services are aimed at achieving customer end goal of cutting costs, reducing lead times and reducing time to market through our value-added approaches.



## Procurement Services Offerings

### Capital Equipment Bidding

Capital Equipment by its nature requires a thorough Technical and Functional capability study and assessment at the time of short-listing process. The purchase decision is typically between a limited three or four qualified suppliers. Negotiations between these are largely manual leading to lower negotiation efficiencies, especially if and the product is largely interchangeable. Reverse auctions have proved that the prices are typically realized 20-30% lower with Dynamic negotiations.



Typically high end suppliers tend to charge a huge premium on name which can be reduced through a transparent bidding process.

Indiaengineering, conducted online bidding for procuring 100T, 600T Hydraulic press for Rane Brakes. The procurement head was amazed to see reduction of around 20% from the supplier who had denied any discounts earlier. Similarly, DC drives worth Rs4.5 cr were negotiated online with a manufacturer, leading to reduction in prices by 15%. Clearly auction provides a potent negotiation tool once supplier selection is over.

KCSSL, Rane Brakes, Shri Precoated Steel

### Capital Equipment critical MRO sourcing

Plants and machinery probably outlasts the working span of a Maintenance professional, definitely that of the Buyer who is supposed to take care of any Maintenance and Repair requirements. While initial years are largely maintenance free, the requirement increases with time with lower and lower capability at the Purchase to source replacements for such parts. Imagine a buyer being asked to source a PLC which has been outdated in a machine made 30 years back. Invariably the Buyer is not ready to make good sourcing decision, leading to large and costly overhauls, even sometime scrapping a large subsystem to be replaced by a new subsystem. Large capital Intensive industries could benefit hugely from this through a specialized service provider. Maintenance budgets can be curtailed through this to the extent of 20% to 30%

Indiaengineering as a service provider not just support critical MRO sourcing activity but builds up long term capability by tying up with appropriate sources of such parts globally. Our success with a battery of companies on same has typically saved customers costs over replacements in the range of 30% to 80%. The typical items can be motors, Compressors, PLC, Pumps etc. Our capability gets a boost by the presence of a parallel offering called Disposals where we possess a comprehensive listing of non moving but good Industrial parts which can match a buyer requirement. A simple match can sometime fetch a price unthinkable made possible using technology.



At Bharat Forge, we were challenged to source an outdated Siemens PLC which was critically required. We ran a search on our non moving inventory database and found that the same module of PLC was available at Vikram Cement for disposal in a packed condition. We managed to source it at a Price of Rs 6 lacs 4 modules against a Siemens quote for upgradation and supply of Rs 80 lacs.

Looking at the success we were asked to source outdated, PLC's, induction motors, parts for Rexroth Pump, power Supply modules etc for Kalyani Group, and we have successfully sourced it from the international markets at 1/10th the prices.

Similarly, we worked to source critical bearing for a Russian make Pilger machine for ISMT and a compressor for CCI.

Bharat Forge Ltd., Indian Seamless Metal Tubes, Cable Corporation of India



## Capital Equipment critical MRO sourcing through Import substitution

Typically Plant and M/c have a lot of imported items which need replacement years down the line. While it may not be necessary to replace the same with an imported part, organizations don't tend to have time or willingness to search for import substitutes. It may also find the whole on time exercise as worthless in light of premium on Buyers time and his limited chances of success on same.

Sourcing team at Indiaengineering worked on a project for Hospet Steel, where a Helmeke make motor was replaced with Kirloskar make. The technical team at IE evaluated and finalized the specs and got a motor for Rs 5 lacs compared to a import quote from Helmeke at Rs 20 lacs.

Hospet Steel

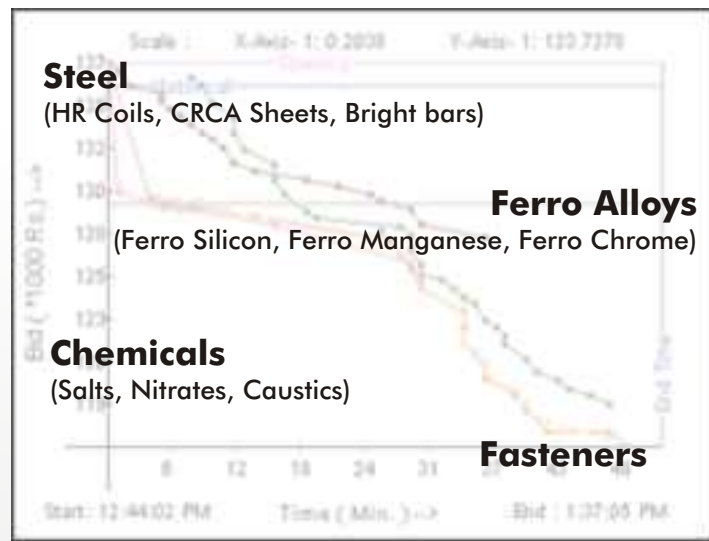
## Direct material bidding

Increasingly Buyers are realising that Bidding is not just for commodities but can also be used to derive the best prices out of a closed and tight grouping of competing suppliers. It is not necessary to bring in new suppliers but find out who within a closed group can give the best price. This is typically useful in awarding new businesses which have no incumbent to start with.

Indiaengineering has seen an increasing trend of direct material bidding in closed group with the objective of getting best prices. Ultimately it is the negotiation which happens online while all other parameters are fixed offline. Part criticality and Supplier selection being the key, more time can be spent on that instead of negotiations.

Indiaengineering has conducted dynamic auctions for steel buying ( CRCA Sheet) at LMW and L&T, TOR steel at Thermax, EN8 bars at ABB, GE & KBX, springs at Gabriel, with a reduction ranging from 5 to 15 %

Thermax, L&T, Laxmi Machine Works



## Aggregation based sourcing

Aggregation has been the mantra for cost reduction since time immemorial only to be lip service until a new boom comes when all is forgotten. Attempts at Commodity purchases centrally are at best successful to being limited in nature, owing to lack of interest beyond commodities. This is again restricted to a company while actually a group can aggregate beyond the organization walls in driving such benefits.

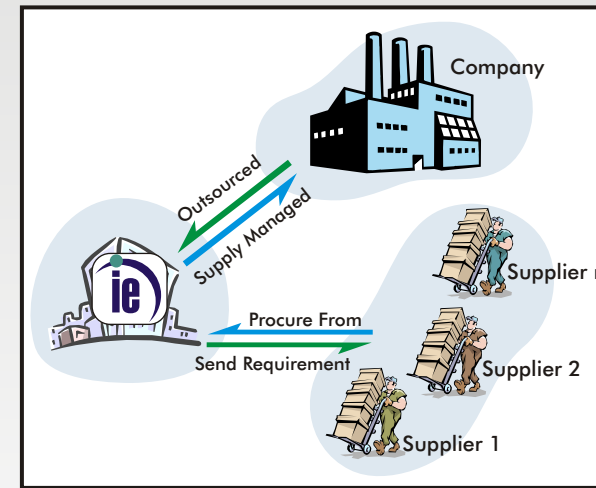
Indiaengineering as third party was able to prove the benefits with aggregation spanning across categories like Furnace Oil, Transportation, Refractories etc working with a group or a industry at times.

Indiaengineering aggregated requirement of furnace oil, LDO, bulk transport at the Kalyani group and saved over 300 lakhs. At Anand group it aggregated springs requirement and got a good reduction.

Kalyani Group, Anand Group

## MRO procurement outsourcing

The company's Purchase head just couldn't handle it. He had more than 200 PO's to be signed everyday from a Rs10 pin to a Rs 5 lakhs pump. The important aspect is that while Purchase is to focus on bringing the cost of its strategic spend down, most of the time is spent on clerical and non strategic activity.



The recent economic recession didn't help either as most of the purchase departments are lean and lacking manpower to cope with the increase in supply requirements. It is really not about costs, as much as about the nuisance this 5% cost cause in strategic sourcing.

Indiaengineering shall be a single vendor to this party, taking the load to identifying, sourcing and supplying a few thousand parts to the company. The advantage is also in terms of the aggregation that Indiaengineering can do in the process at least for all the consumables which are 99% common to all engineering industry.

For a leading automotive component manufacturer

## 'Art to Part' Vendor Development outsourcing

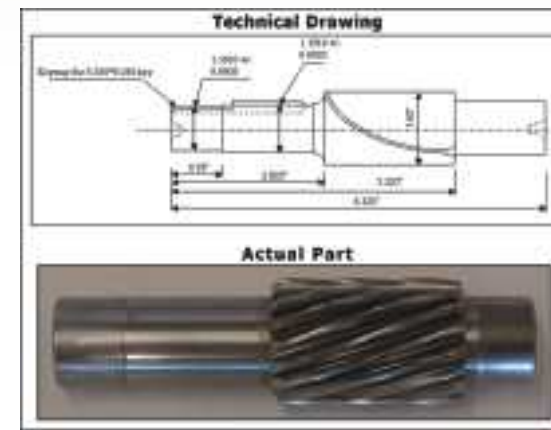
Hiring people during boom for lot of work and firing for lack of work is not the best of methods to optimize organizational resources. With economy picking up and going down in a cyclical manner, companies are looking for a good Vendor development partner who can work on its requirements across the complete vendor development cycle. This includes

TQM processes right from Vendor discovery, Qualification, Part development to Samples and Supplies. The organization outsources what it feels is not as strategic while retaining the critical items development within the highly qualified and focused internal resources.

Indiaengineering has seen an increasing number of companies wanting to partner a specialist with the sole aim of overcoming the development load faced at the time of economic boom.

Indiaengineering with excellent database of qualified suppliers was able to develop the brake fluid bottles for KBX, from drawings to sample approval and commercial supplies at 12 % lesser cost.

Kalyani Brakes Ltd



## Spend Analysis at a Group level.

Ask a Purchase head if he knows his spend and the refrain is common, 'Yes I know my A class like the back of hand'. But Spend is not just A category, but all categories which form opportunities for reduction. Spend Analysis provides an opportunity to see through the million parts stored in material master and focus on the necessary, not just important.

Indiaengineering has helped companies clean up the cobweb which circles such material data, cleaning and classifying the material master, vendor master and other attributes, providing a thorough analysis. Only with a clean picture, next steps can be planned effectively.

We found opportunities to aggregate, opportunities to automate, opportunities to bid and opportunities to collaborate. In the end efficiencies have to be found where it resides in a typical spend.

Indiaengineering did a Spend Analysis between 2 plants of KBX at different locations and could find out through the results that there was lot of price and supplier gap on procurement of the same item. This helped KBX to immediately normalize and standardize prices and achieve savings for 5 to 15 %.

Kalyani Group

## Services - Logistics bidding

In a fragmented and ultra-competitive market like Services, the Dynamic negotiation tool seems to work the best. While there is a plethora of transporters called themselves Logistics provider, there are a many serious players which have emerged in the past few years who can take end to end responsibilities with contracts won online. One of the most significant advantages of this is that the prices are finalized in a very short time across multiple routes covering sources and destinations.

Imagine trying to finalize over 250 destinations in 4 regions of the country in 10 types of trucks, covering 37 transporters. The tool can help reduce the pain and prices drastically.

Indiaengineering has handled over two dozen unique transportation events ranging from inbound, outbound, exports, with results in the range from 8% to 20% reduction over market prices. It provides in-depth consultancy, as also assists in drafting best terms and conditions on transportation.

It has a rich database of over 200 approved logistics providers working for our customers like CEAT, Whirlpool, Thermax, Tata Steel etc. These logistics providers own large fleets serving across country and are offered large loads at volume discounts through Indiaengineering.

CEAT, Float Glass, Hospet Steels, ISMT, Tata Steel, Samtel, Thermax, Whirlpool



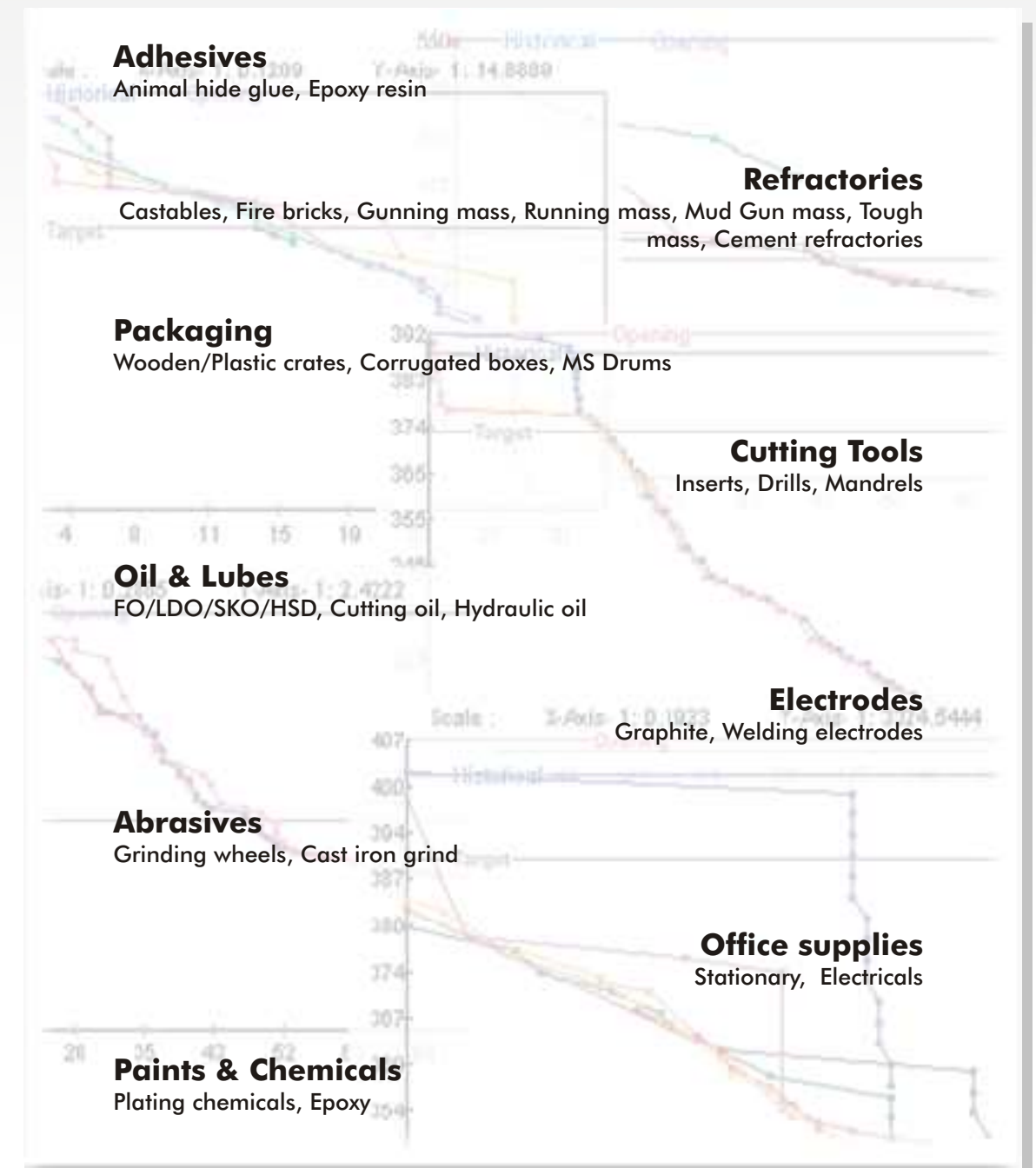
## Indirect material Bidding

The indirect material form the ideal chunk of spend to be put through a quick and efficient bidding process, owing to its being a highly commoditized and fragment supply market. It also allows for newcomers to show their strength against suppliers deep rooted in the buyer's favorite list without any clear advantage.

The bidding also makes it easier for a buyer to look at a host of switching options based on the overall price performance ratio especially relevant for cutting tools etc which are purely performance based cost as against per piece cost.

Indiaengineering has worked with over 50 companies on indirect spend bringing reduction ranging from 10% to 30%. Typical items like Refractories, Cutting Tools, Electrodes, Grinding Wheels, Oils and Lubes, Packaging, etc form ideal spend for competitive bidding.

Rane Madras, KBX, ICI, LMW, Samtel, ABB, CUMI





## China (Global) Sourcing

China is a huge sourcing base and very much the meaning of Global sourcing today. What a supplier elsewhere produces in Million they produce in Billion. Better still they want to do it in trillion. Thanks to a very abundant, good and cheap labour base, the same is possible in almost every sphere of manufacturing. The fact is inspite of the boogey of poor quality, China offers everybody to choose its quality. From a low cost and low quality bearing to world class, its all there to the budget and specifications. Like it or not no OEM or major T1 can ignore China based sourcing of quality suppliers. The items such as Pig iron, Chlorine, Coke, Caustic soda etc are huge opportunities coming out of China. Similarly, parts in the automotive industry have a huge opportunity.

How would a company go about setting its China sourcing strategy. The issue of Supplier Audit, Facility Report, Samples, Pre-delivery Inspections etc are best handled by an expert in the business.

Indiaengineering has built partnership with some of the most renowned Certification and Supply Knowledge intermediaries to bring the benefits of China to India. It researches and enables complete sourcing of parts.

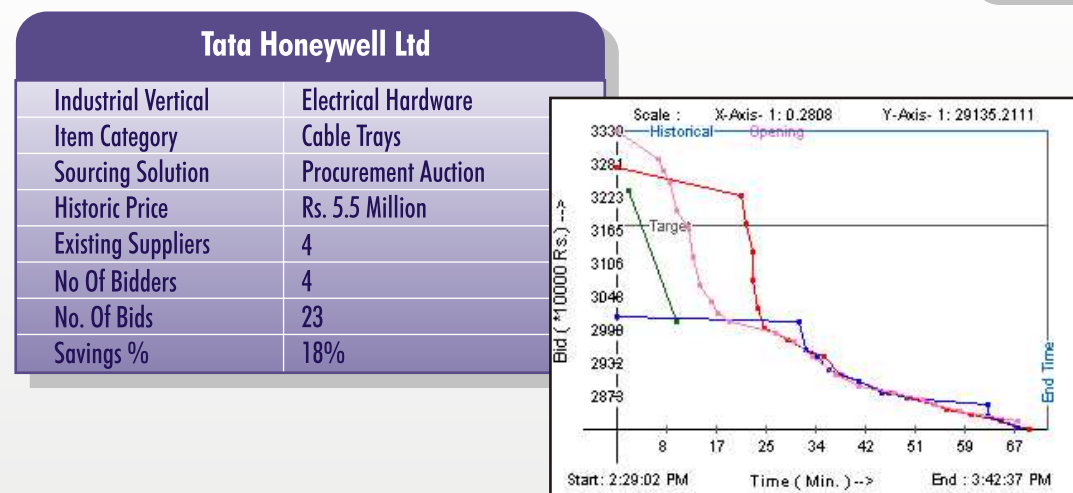
Indiaengineering could source graphite electrodes for KCSSL at 25% lower price on landed from the quality supplier from China. We also successfully closed the deal on coke sourcing from China for Hospet Steels.

KCSSL and Hospet Steel

## Price Discovery Bidding

Tata Honeywell happens to be an Industrial Automation company with every project being unique and largely awarded through a tender process. It found a novel way of beating its competition by taking up bidding before filling up Tender documents within the likely community of suppliers. This gave them a better understanding of vendor price as well as a better chance of winning the tender which otherwise was based on best estimate of vendor price. They also found that the project can be executed faster as the price negotiation from likely vendors was already done and supplies could be discussed immediately.

Tata Honeywell



## Vendor Facility Audit Service and Liaisoning

With the increasing pressure of Strategic Sourcing and high expectation of the customers on quality of inputs, more and more Purchase departments are finding ways to outsource activities such as Vendor Quality Process Audit, Vendor facility surveys, Liaisoning etc to a qualified service provider.

Indiaengineering being leader in the Procurement services, has developed capability in handling the Process Audit of the Vendors in the manufacturing space. Its understanding of the manufacturing processes and the battery of qualified Engineers having experience in the engineering industry has helped develop the capability of doing "Vendor Facility Audit". The Processes developed are in line with the best Practises of Large Manufacturing ISO9001 and QS9000 companies such as Tata Motors, Bharat Forge, Kalyani Brakes etc.

Whirlpool, KBX

# WHY

## Outsource Procurement to Indiaengineering ?

Chief benefits that enterprises can derive from outsourcing procurement include reduction in cost, improved processes and focus on core competencies.

### Cost Reductions

Indiaengineering, as Procurement Service Provider delivers cost savings through deep category domain expertise and market knowledge, proven procurement processes, and purchase volume aggregation across multiple clients.

- Reduction in average unit price by 5% to 20%
- Reduction in average sourcing cycle by 25% to 30%
- Reduction in average time-to-market cycle by 10% to 15%

### Focus on Core Competencies

Outsourcing procurement frees companies to focus resources on their true core competencies designing new products or winning and servicing new customers.

### Improved Processes

Indiaengineering offers market-leading procurement technologies, as well as the methodologies for effectively deploying world class procurement processes

### Global Supplier Database

Indiaengineering provides the most comprehensive global supplier database. This helps buyers in identifying, qualifying and negotiating with an increased number of global suppliers, thus creating more competitive bidding environments.

### Process and Domain Expertise

We have the potential to streamline implementation costs and cycles further by leveraging experience and methodologies from previous procurement automation deployments. While offering programs and strategies for improved negotiations, user and supplier adoption, contract compliance we also offer services to electronically enable (i.e., "onboard") an enterprise's existing suppliers. Such supplier enablement capabilities are critical to e-procurement success.

### Industry Leading Technology

Indiaengineering provides best in class technology platform to enables 'better procurement' with features like Landed Price Bidding, Multi-Currency Bidding, 24x7 support

## Pedigree

A part of the USD 900 million Kalyani Group, Pune  
Over 4 years of successful operations  
An ISO 9001 certified company

## What our Clients have to say..



"The Procurement Auction has given us best results in a commodity price scenario. We achieved substantial savings on En8 bars and logistics procurement".

**Mr H. N. Amresh,**  
Head Supply Chain – Automation Technical Products, ABB Ltd.



"The Export logistics event was participated by all the leading carriers. The expected price rise could be arrested through competitive bidding"

**Mr Dhruv Dhar**  
DGM Materials, Samtel Colors Ltd.



"We are pleased to use ProBid the Procurement Auction Solution for sourcing of high value items. The Indiaengineering Solution coupled with their value added services has provided us with real substantial business opportunity saving us a lot of time and resources".

**Mr R M Unni**  
Chief E Executive Officer, Kalyani Carpenter Special Steels Ltd

**KALYANI CARPENTER**



"Procurement Auction Event handled by Indiaengineering has been quite impressive. The ability to deliver strong results in such a difficult economic environment is an evidence of value delivered by Procurement Auction and Market Making Processes".

**Dr M. Phadke**  
GM & Head, Thermax Chemicals Ltd.



"IndiaEngineering has consistently and successfully helped us in sourcing critical MRO items, Furnace oil, Logistics and other indirect materials"

**Mr Vilas Panse,**  
Associate Vice President – Materials, Bharat Forge Ltd



## Our Other Clients include

- ABB
- Anand Group
- Ashok Leyland
- BPCL
- Bharat Forge
- Cable Corporation of India
- CEAT
- Cummins India
- CUMI
- Daimler Chrysler
- DGP Hinoday Industries
- Eicher Motors
- Electrolux Kelvinator
- Escorts
- Float Glass
- Greaves
- Grindwell Norton
- Hindustan Lever
- Hospet Steels
- ICI Chemicals
- Indian Seamless Metal Tubes
- ITI
- Jindal Iron & Steel Company
- Kalyani Brakes
- Kalyani Carpenter Special Steels
- Kalyani Lemmerz
- Kirloskar Oil Engines
- Kotak Mahindra Bank
- L&T
- LMW
- Marico Industries
- Mazagon Docks
- Praj Industries
- Praxair India Pvt
- Rane Group
- Raymonds
- Samtel Color
- Shree Precoated Steel
- SKF Bearings
- Sterlite Optical Technologies
- Sudarshan Chemicals
- Sunflag Iron & Steel
- Tata Automation
- Tata Honeywell
- Tata Motors
- Tata Power
- TATA SSL
- Tata Steel
- Thermax
- Voltas
- Whirlpool
- Zydus Cadila

