



Case Study

for Optimization of Sourcing Process for MRO purchases of
a pharma and specialty chemicals company

The head office of the company is located in the West Zone of India. The focus of the company is in manufacturing of Pharma APIs & intermediates primarily used by Pharma, Dyestuff and Agro Chemicals companies. The company is fast growing and has achieved over 55% growth in sales revenue in the last 3 years. They have 17 plants located across India manufacturing range of APIs and Intermediates & are constantly improving their technology and capacities.

4700Cr

Turnover Annually

17

Manufacturing Plants

Purchases

Centralized and Decentralized

SAP HANA (SAP R3 initially)

ERP

Major Challenges

- Maverick Buying due to huge transactional activities involving '000s of transactions
- Absence of effective Negotiation strategies due to absence of Spend Analysis
- Poor Accountability of decisions
- Delay in supplies due to non - timely approval of decisions & track of requirements
- Tremendous coordination efforts
- Large number of buyers @ central and plant level buying
- Serious challenges in Audit due to absence of desired data justifying decisions



VENDX Module e-sourcing Suite with Analytics

Benefits

Nearly **68%** reduction in the process & coordination time

- More efficient negotiations due to automatic consolidation of vendor spend & shift to strategic buying
- Huge savings in the resource cost
- Quick approval of decisions due to mobile approval from anywhere 24*7*365
- Timely supply of material due to timely action on requirements
- Simplification of Audit