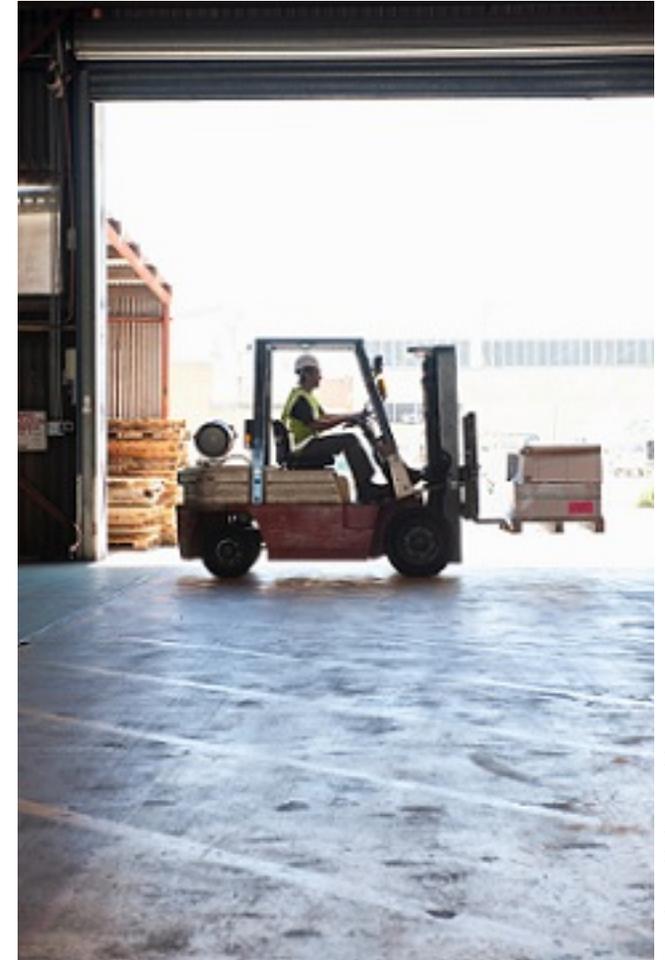


Carborundum Universal Limited: Improving Competitiveness and Transparency with SAP® Ariba® Sourcing

In India, 35% of the manufacturing and material-handling market is run by Carborundum Universal Limited. Established in 1954, it is one of the most prominent Indian organizations engaged in manufacturing, supplying, and exporting. But Carborundum Universal Limited needed to streamline its sourcing process in order to continue to manufacture quality products and offer market-leading prices to its clients.

Carborundum Universal Limited turned to the SAP® Ariba® Sourcing solution. The company has improved collaboration internally and with its suppliers. It has also increased time to value in realizing strategic-sourcing savings and increased competitiveness. Now Carborundum Universal Limited can focus on getting its customers the best products at the best prices.



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Carborundum Universal Limited improves sourcing

Company

Carborundum
Universal Limited

Headquarters

Chennai, India

Industry

Mill products

Products and Services

Bonded and coated abrasives, super abrasives, industrial ceramics, super refractories, and electro minerals

Employees

2,000

Revenue

Rs 2000 crores
(US\$301 million)

Web Site

www.cumi-murugappa.com

Objectives

- Eliminate time-consuming, manual interactions between buyers and suppliers
- Strengthen negotiation leverage and achieve better prices

Why SAP® Ariba® solutions

Sourcing and procurement solutions that can help the long-term vision of the company

Resolution

- Deployed the SAP® Ariba® Sourcing solution, which executes online supplier negotiations
- Managed forward and reverse auctions for all maintenance, repair, and operations and disposal of scrap materials
- Trained and onboarded 100% of the global supplier base

Benefits

- Increased the transparency and competitiveness of auctions with reduced cycle time
- Derived true market price of raw materials and quarterly price negotiations
- Improved staff efficiency and expectancy with e-mail traffic, templates, supplier questions, and responses through a single speedy system
- Increased sourcing coverage for raw materials

100%

Global suppliers onboarded

>60

Forward and reverse auctions handled each year

>90%

Coverage for scrap disposal spending

“Today, our sourcing process is simpler, faster, and more transparent. We are able to derive the best market price and competitively position our niche products. Transparency and the speed of buyer and supplier negotiations have been the biggest benefits, along with significant cost reductions.”

Kathiresan R, Senior General Manager, Commercial, Carborundum Universal Limited

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