



PROPOSAL FOR E-MALL SERVICES OF FINISHED AND SEMI-FINISHED PRODUCTS MANUFACTURED IN STEEL SECTOR.

OVERVIEW

MSTC Limited is pleased to submit this proposal for e-mall services to support SELLER and BUYER in achieving the goals of improving customer satisfaction by providing the electronic portal and post-sales support for a new order entry and fulfillment system.

MSTC has been committed to improving the customer experience through convenience, accuracy of orders, and timely delivery. At present our e-Commerce module is serving over 200 principals and 50,000+ Customers by providing forward e-Auction and e-Procurement solutions. The portal registered transaction of over INR 23,000 Cr in the previous financial year in addition to the COAL Block auctions (which are expected to generate INR 3.35 Lakh Cr in revenues and royalties for the Government in the next 30 years).

The Objectives

- Improve response time for customer requirements
- Improve in up-sell/cross-sell volumes
- Adoption of rapid electronic after sales service platform
- Adoption of safe and failure proof electronic e-payment
- Adoption of new age e-Marketing techniques
- Saving in ordering and marketing costs on both ends
- Usage of MSTC's segment expertise of over 50 years and trust and goodwill of the customers
- Penetration of market for adoption of steel usage in villages and remote areas through e-market place at minimum marketing costs

The Opportunity

- As per Government **DIGITAL INDIA** vision an enormous potential lies in making the products from various PSUs, Government and Private organizations available online.
- Additionally to increase rural penetration organizations must persevere to adopt sales and service methodology that directly links masses to business centers. An electronic platform in the form of a cumulative portal where end users & companies can access information



regarding various sectors like STEEL, Infra, Textile, Heavy Equipments, Agro Products etc. and make online purchases to enhance sales and reduce marketing effort and expense.

OUR PROPOSAL

(A)SELLER

A seller should have a well-deserved reputation for quality customer service. However, faced with changes in distribution systems, economic impacts to transportation and logistics, and limitations that prevent taking full advantage of improvements in technology, SELLER faces the possibility of decreasing sales revenues due to customer perceptions of non-availability of information, logistics channels, payment options, slow delivery and services.

We have developed an electronic portal to help businesses stay ahead for customer satisfaction trends and propose that SELLER implement a logistics solution focused on JIT (just in time) order management and automation of many costly and manual steps in delivery process.

Most importantly, we provide the training and support for this new solution that ensures smooth functioning and realize concrete improvements in sales closure, customer satisfaction.

MSTC's portal will go online from October 2015 and SELLER being one of the leading Steel manufacturers in the country is invited to list its complete products and stockyard (with availability) on the portal.

(B) BUYER

(i) A Buyer can visit MSTC's website, where he/she can select the sector (e.g. Steel), Product (e.g. TMT Bars), Specification, size (e.g. 10 mm etc.), quantity, State and City. Thereafter a list of Manufactures, time for order preparation (as per quantity) and their Ex-showroom/Ex-warehouse price will be displayed and buyer can make an informed choice. Buyer can either accept one of the listed prices or request for a negotiated price by clicking the 'Negotiate Button'.

(ii) If the buyer accepts the price, for payment the buyer may either choose to pay the complete amount through MSTC's e-payment gateway (advance Payment) or pay a token amount to generate proforma invoice for establishing Letter of Credit with their bank. Thereafter on receipt of valid Letter of Credit as per the stipulated terms and confirmation from bank, seller will release the material.

(iii) For Logistics the portal will provide two choices to the buyers:

1. Buyer Logistics from Stockyard/Plant/Factory



2. MSTC Logistics on a cost + basis. (MSTC is planning a tie-up with a reputed Logistic service provider for providing logistics support in the form of DAS (delivery at site))

(iv) Buyers have to register with MSTC for availing the e-mall services.

(C) RATIONALE

- Increased Market opportunities
- Better use of modern technology
- Increased Promotion (MSTC already has a client base of over 50,000 Customers)
- Zero additional cost for SELLER as sellers are not required to invest to create such market place.
- MSTC will charge a transaction fee in the form of nominal Fixed charge. The service charges are nominal to begin with and will ensure that SELLER's margins are protected.

CONCLUSION

We look forward to working with SELLER and supporting your efforts to improve your sales cycle with, JIT Inventory management, DAS support. We are confident that we can meet the challenges ahead, and stand ready to partner with you in delivering an effective IT support solution.

We also look forward to provide services to buyers by providing a competitive market place where large numbers of suppliers will display their products concurrently and also to provide logistic support.

If you have questions (Sellers & Buyers) on this proposal, feel free to contact the undersigned. We will be in touch with you to arrange a follow-up conversation on the proposal.

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