

Highly Commended Winner
Best in Class Treasury Solution in India

Aliaxis/Ashirvad

Séverine Le Blévennec, Global Head of Treasury



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Aliaxis is a global leader in plastic fluid handling systems, and Ashirvad is its leading Indian subsidiary, specialising in CPVC and uPVC pipes for residential, commercial and industrial use. Aliaxis group is headquartered in Brussels and operates in over 40 countries.

Major transformation delivers in India for Aliaxis

The challenge

Aliaxis has hired a new global treasurer, and with the strong support of the CFO and CEO, she immediately decided to launch a global transformation project which aimed to:

- Establish a centrally driven treasury organisation acting as a Centre of Excellence demonstrating efficiency, reliability, agility and scalability to support the company in its growth ambitions while securing its rating.
- Design a world-class governance framework supported by a common set of systems, policies, processes and KPIs and enforced by relevant reporting and system-embedded controls.
- Build a best in class connected technology infrastructure to increase automation, leverage data and effectively identify, eliminate, mitigate and/or hedge risk derived from treasury transactions and commercial payments.
- Centralise the banking activities towards a limited portfolio of selected banks with strong cash management, credit and advisory capabilities provided at market cost.
- Obtain global daily cash visibility and optimise the liquidity structure to allow cash mobilisation and optimal interest expense/income.

One of the most important markets for the Aliaxis group is India. Therefore, this was also one of the first countries in scope for the global treasury transformation. In particular, the following challenges were identified from a treasury perspective:

- Limitations in necessary local credit lines for working capital and trade finance.
- A cash restricted region limiting the options to make cash available at group level.

- Complex country with specific cash management requirements (ie paper-based instruments, local formats and specific tax payments).
- Local specific regulations creating a complex banking and payments landscape.

“We were also facing some hurdles to business growth. Our distributors were facing delays in obtaining the necessary funding from their banking partners due to cumbersome paperwork. We were experiencing long waiting periods to access funds received by cheques, letters of credit were causing delays in the receipt of funds leading to cash flow issues. Manual interventions in the collection and reconciliation process and slow and inefficient transaction processes with several customers were also challenging,” explains Séverine Le Blévennec, Global Head of Treasury.

The solution

The main goals of the project in India can be summarised as follows:

- Select banking partner(s) which offer the best in-country support, embrace the latest technologies and provide the appropriate level of credit both locally, on a stand-alone basis, and for the Group Revolver Credit Facility (RCF).
- Largely reduce the number of banks and bank accounts, as well as ensure ongoing visibility on the bank account structure and the cash balances.
- Optimise liquidity and interest expense/income.
- Ensure best in class service level from the cash management banks, particularly for IDPMS and EDPMS.
- Ensure ongoing visibility of the transaction banking fees (eg via Camt86) and competitive pricing.
- Onboard the region on the new payment Hub “Trax” from the vendor FIS (incl. moving to the latest ISO 20022 XML standards).

- Increase treasury processes digitisation and agility.
- Get better financial intelligence on Indian market, including on upcoming regulations changes.
- Further optimise working capital by implementing solutions addressing every segment of the market.

Aliaxis worked with PwC Brussels treasury team, Citi in Benelux and India and FIS Trax to deliver the solution.

Best practice and innovation

Aliaxis worked hard to deliver on its ambition to build a state-of-the-art Indian treasury organisation leveraging technology to unlock value and develop the skills of the team. In just 15 months, it achieved huge process efficiencies and a wide range of expected benefits, from better access to funding and improved governance, reduction of bank accounts to increased connectivity.

“The India treasury transformation is a good example of leveraging all the assets of an international company; deep knowledge of the local requirements from the India treasury team, outstanding project management, expertise and tools of the PwC treasury team, under the drive, guidance and high level of governance expectations from the Global Head of Treasury,” says Sudeep Agrawal, CFO, India.

Key benefits

- Cost savings.
- Process efficiencies.
- Increased automation.
- Risk mitigated.
- Improved visibility.
- Number of banking partners/bank accounts reduced.
- Manual intervention reduced.
- Increased system connectivity.
- Future-proof solution.
- Exceptional implementation (budget/time).
- Improved key performance indicator (KPI) metrics.

Citi is honoured to be a strategic partner in Aliaxis’ award-winning treasury transformation project in India. We are proud to have collaborated in their journey of re-engineering critical treasury workflows to help drive automation and digitisation, optimise working capital, and strengthen controls and governance. By leveraging Citi’s digital platforms and innovative tools and solutions, Aliaxis successfully replaced manual, paper-based processes and transitioned to automated, digital workflows – thus unlocking significant efficiencies and enhanced visibility over their banking operations. In addition to increased efficiencies, visibility and transparency, the project also further strengthens Aliaxis’ market position by fostering more resilient and mutually beneficial relationships with its wider ecosystem. Congratulations to the Aliaxis treasury team on this prestigious accolade.

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