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QuEST, Cades Outbid Infy to Bag Airbus Deal



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vals including Infosys to win an outsourcing contract from Airbus, the world's biggest commercial plane maker, signalling a trend of large outsourcing customers preferring to work with specialist vendors for complex, engineering projects. ET had reported in its edition dated May 10 that both QuEST and Cades had outbid two of India's top software firms — Infosys and Mahindra Satyam — for an Airbus outsourcing contract potentially worth over \$300 million. The companies however, declined to disclose the value of these contracts.

OUR BUREAU BANGALORE

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"It was a nine-month journey, during which we had looked at 21 companies that went through three to four levels of filtering that we had in place. Based on this, there was a systematic selection of companies," Dwaraknath Srinivasan, Airbus vice-president, industrial cooperation for Asia-Pacific & Middle-East told ET.

Mr Srinivasan said Airbus had taken into account factors such as the engineering capabilities of the companies, their past record in working with various original equipment manufacturers, overall costs and quality control. Airbus plans to out-

QuEST, CADES Pip Bigger Peers to Bag \$300-m Airbus Deal

source more design projects for its 380, A350 and A320 series of planes to vendors based in India to slash costs by up to 40% and focus better on competing with rivals such as Boeing. However, Mr Srinivasan refused to confirm the same.

"We are not aware of any such figures, as we are still developing our strategy for India. While we do have certain projects, which are termed 'low-hanging fruit', we do not have particular figures. If it makes business sense, we will go ahead," he said.

Cos outbid two of India's top software firms — Infosys and Mahindra Satyam — for the contract

slowly but steadily. From around \$2 billion currently, India's ESO market is expected to reach \$50 billion over the next 10 years as more aviation and manufacturing companies seek to lower their design costs by outsourcing to the country. Aviation customers are increasingly looking at sourcing design and other IT projects from India not necessarily for cost savings, but also because the country offers a pool of skilled engineers who understand complex avionics.