



Procurement Of Mega Sand Contract



Case Study

Client

Our client is among the top steel producing companies in the world with an annual crude steel capacity of 34 million tonnes per annum. It is one of the world's most geographically-diversified steel producers, with operations and commercial presence across the world.

They appointed us for assistance in finalizing a mega sand contract. Our responsibility was to build the solutions to truncate their supply chain and improve lead time, transportation risks and order-fulfillment while buying sand from multiple vendors.

Client's Objective



Pricing : Online price discovery through techno commercial acceptance



Adherence to DGMS safety



Availability : Ensured feasibility for order distribution amongst the eligible bidders for risk aversion

Challenges



Finalization of contract within stipulated timeline



Optimization of material and freight cost



Cost reduction with substantial savings



Ensuring continuity in supply

Solution



Effective online price discovery through techno commercial acceptance



Use of technology to develop Customized template based bidding ensuring flexibility of the bidders



Developing a two stage strategy, ensured feasibility for order distribution amongst three eligible bidders for mitigating the supply chain risk

Outcomes

INR 2.6 Crs (5%) saved from Last Purchase Price

156 counter bids from 8 bidders for TV of Rs. 48 Crs

Ensured continuous supply through order distribution amongst three eligible bidders for risk aversion & DGMS safety adherence

“First of all, thank you for conducting the RA successfully in a hassle free & professional manner..... You and your team has worked very efficiently and most importantly we could get the LPP saving of 5.1% (2.58 Cr) using your platform. A very good Job done by you and your team. Looking forward to many such opportunities wherein we can get the professional services from MJ for similar/ other Jobs.”

- Head of Procurement, Client

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To know how domain expertise and platform efficiency can bring positive impact on your business, get in touch with us.



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