

KIOCL Gets Best Value Realisation with EffiGO's Engine

About KIOCL

KIOCL Ltd is a Mini Ratna company and a Government of India enterprise, engaged in the business of manufacturing and exporting high-quality Iron Ore Oxide Pellets and Pig Iron. The company's Pelletisation Complex and Pig Iron Complex are in Mangalore, Karnataka. KIOCL Ltd was incorporated in April 1976 and is the country's largest iron ore mining and pelletisation complex. The organization is committed to sustainable development and responsible mining practices.

Challenges

1. Challenges in maintaining transparency in the procurement process, while ensuring that they get the best possible pricing.
2. Looking for ways to streamline the procurement process and reduce manual effort.
3. Lack of participation from suppliers making the bidding process uncompetitive.
4. The company faced challenges in effectively managing and tracking supplier performance.

Objectives

1. Bring transparency in the procurement process by using the Reverse Auction method.
2. Increase supplier participation in the bidding process and ensure that they get the most competitive pricing for the goods and services procured.
3. Streamline the procurement process and reduce manual effort, while ensuring compliance with regulations and policies.
4. Reduce procurement costs without compromising on quality or timely delivery.
5. Achieve cost savings through reverse auctions and pass on the savings to the company.
6. Leverage the expertise of EffiGO in exploring the market and identifying the best suppliers for their requirements.

Benefits



Achieved significant cost savings and an average percentage of savings of 7.6% across categories such as electrical supplies, services/contracts, painting, and construction services.



Increased the participation of suppliers, resulting in more competitive pricing and increased cost savings.



Streamlined and automated processes, resulting in reduced manual effort and increased efficiency.



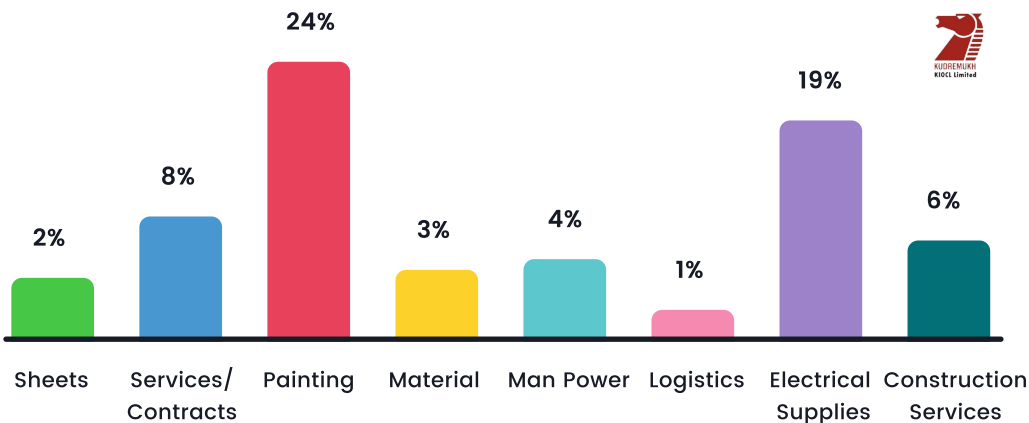
Improved Supplier based through new supplier identification for negotiating the best possible pricing.

Results

The average percentage of savings across the items is specified below.

The event was carried out successfully with more than 30 suppliers actively participating in reverse auctions.

The percentage savings was highest for services like painting which had a total business revenue of INR 11.2 lakhs and savings volume was INR 2.7 lakh.



Modules Offered



Industry

- Mining