

Case Study 2

Online Competitive Bidding for procurement of 30,000 MT of LAM Coke for M/s SAIL-Bhillai

Brief Study:-

The client's requirement was for 30000 MT of LAM Coke. Scope of work by mjunction included the entire span of activities starting from identifying and developing new potential vendors, floating Tender Document to the shortlisted vendors, providing Market Intelligence Report giving price indications and finally conducting the online event and related activities.

Business Challenge:

- The total quantity as required by client was huge for one time procurement which could pose problems in convincing vendors for participation and supply.
- The target price as communicated by client was on the lower side with respect to the prevailing market rate.

Our Approach.

- ***Online Event Strategy:*** The strategy of Online Sealed Bid, followed by Reverse Auction along with Price Match was adopted.

Benefits

- The event was conducted successfully with a total eSourcing price of Rs 67 crores.
- The indicative prices and overall market scenario, as mentioned by mjunction in its Market Intelligence report, provided a good insight into the prevailing market trends which helped the client in fixing up a realistic Start Bid Price in the Online event and thus resulting in deriving satisfactory prices.
- Prices derived were competitive enough which were also in line with client's expectations. The savings derived with respect to Last Purchase Price were around Rs. 57.00 Lacs (Approx).