



Abstract

India's No. 1 Refined Oil
Enterprise Kaleesuwari
Refinery logged savings in
costs, and reductions in
procurement cycle lengths
when they got on to the
Proctek platform.

The Client

The client, Kaleesuwari Refinery, is a giant in the FMCG industry. Established in 1973 with a vision to promote wellness among Indian families with a range of healthy edible oils, Kaleesuwari has grown into a trusted producer of edible food products with multiple brands under its banner, including edible oils, pulses, hair oils, and lamp oils. The company's Gold Winner edible oil ensured that Kaleesuwari became a family name in Indian households. The company has increased its footprint to international markets such as Oman, Kuwait, the UAE, Sri Lanka, Malaysia, Seychelles, Australia and the USA.

The Challenge

The client was looking for a platform to resolve complex procurement negotiation requirements. The platform needed to provide an automated, easy-to-use procurement process where they could reduce their purchase cycle time and optimize procurement at an economical cost.

For their procurement needs, they required a wide range of products and services, including: **Industrial Supplies**: Chemicals, coal, plastic products

Paper & Printing: Paper and board, packaging items, printing equipment

Office & Facilities: Office equipment, shop equipment

Construction Materials: Metal constructions for buildings, metal pipework, valves, and containers **Building Services:** Electrical contract works, plumbing and sanitary work contracts

Mechanical Equipment: Engines and mechanical parts

Procurement of these goods and services was happening manually, through email, physical tender and ERP. Costs were escalating, as was purchase cycle time.

The Solution – Proctek's Digital Platform:

Kaleesuwari signed up with the Proctek platform to focus their procurement activities at a single-stop shop. They decided to try the platform as a one-time initiative and began slowly with three categories.

The initiative rapidly gained traction over FY 22-23 into twelve categories for their procurement.

Categories procured



Chemical products



Coal



Plastic products



Paper and board



Packaging items



Printing equipment



Office and shop equipment



Electrical contract works



Engines and mechanical parts



Metal constructions for the building

industry



Metal pipe work, valves and containers



Plumbing and sanitary work contracts

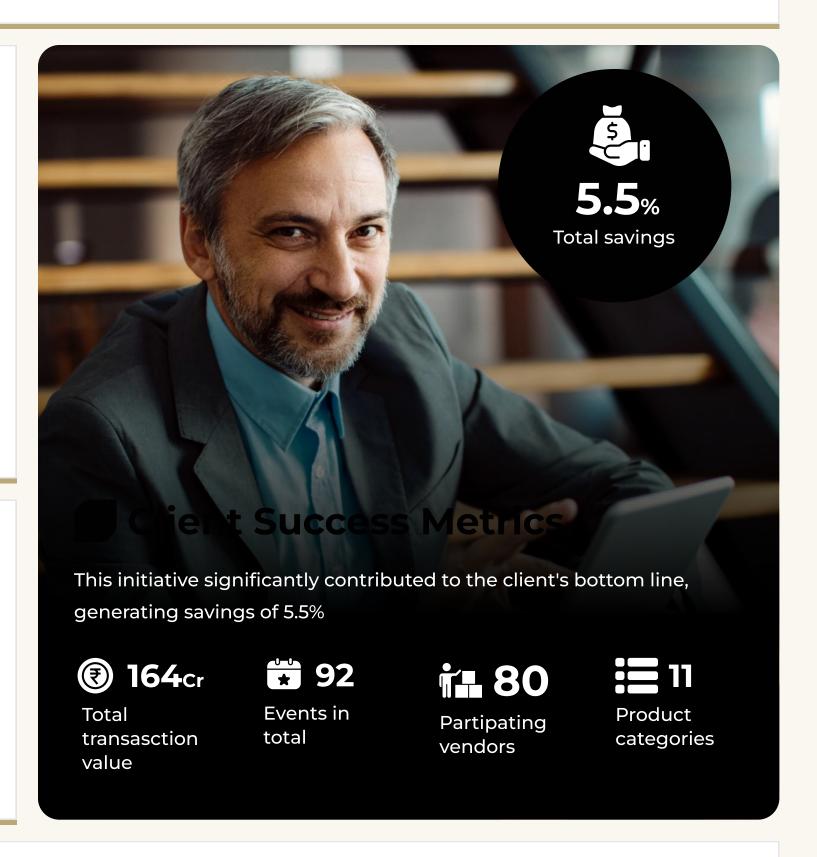
The impact

Kaleesuwari achieved the desired results for their purchases, in addition to gaining reductions in cycle time and savings. Across 92 procurement events on the platform in a single financial year, Kaleesuwari undertook transactions of INR 164 crores across 11 categories and saved 5.5% on their procurement budgets. This was a major saving on purchases to the tune of INR 8 crores in a single financial year, against the initial estimate of 2%.

Kaleesuwari introduced 80 vendors to the Proteck platform, who participated in tenders and RFPs floated by Kaleesuwari.

Client Satisfaction & Future Plans:

The client is extremely happy with the automated procurement process and savings in purchases. Kaleesuwari is continuing to leverage the platform after three years, and has expanded the scope of procurement activity on Proctek to four factories. Kaleesuwari is planning to integrate their ERP system with the Proctek platform.



Supplier Benefits



Access To A FMCG Giant

Client Benefits



Cost Savings: 5.5% In A Single FY, To The Tune Of INR 8 Crores



Reduced Purchase Cycle Time To 3 Days

Enhanced Efficiency In Procurements

Client Testimonial:

From a small POC for three categories to 12 categories across 4 factories, our confidence in Proctek as an easy-to-use procurement platform has grown by the day! We are now integrating our ERP system into the platform