SUCCESS STORY: BGR MINING

From Challenges to Solutions: How BGR Mining Enhanced Efficiency with NetSuite

RESULTS ACHIEVED

Rs 40,00,000 savings in vendor payments

Two months of manual work eliminated

> Tvarana's team did a great job customizing reports for us. Native reports were not very useful. The team sat with us and discussed our needs at length. With the customized reports, our teams have saved at least ten days worth of manual work pulling reports and I can now easily access consolidated reports with reliable and accurate data.

Vijayanand, CFO, BGR Mining & Infra Ltd.

BGR MINING

BGR Mining & Infra Private Limited is one of India's leading mining companies, with a legacy of more than two decades in the mining industry. Headquartered in Hyderabad, Telangana, BGR Mining specializes in offering comprehensive mining solutions, including drilling, blasting, extraction, and transportation of coal and other minerals.

Known for its commitment to operational excellence and sustainable practices, BGR Mining operates with a focus on safety, efficiency, and environmental stewardship. The company's advanced technological capabilities and robust infrastructure enable it to undertake large-scale mining projects across India, delivering high-quality outputs while adhering to stringent timelines.

THE PROBLEM

"We have a presence in various states, wherever there are coal mines, running various projects. Each project has its own costs, expenditure, revenue but procurement happens centrally and finances are raised centrally. When we had to prepare financial statements we struggled a lot to put so many site trial balances or P&L statements together. This was a huge problem we were facing - not having an integrated picture at any point in time that is accurate and reliable."

BGR grappled with a myriad of issues:

Time-consuming manual consolidation of financial statements across multiple sites:
BGR operates across multiple sites and previously maintained separate financial statements, such as Trial Balance, for each site. This required substantial manual effort, totaling around 40 hours each quarter, to generate consolidated financial reports.

Inefficient inventory management using the Average Costing method:
Historically, BGR used the Average Costing method for inventory management, which led to higher statutory payables. They managed inventory through Excel spreadsheets, facing numerous challenges, including cumbersome report generation and difficulty tracking the precise consumption of procured materials.

Lack of visibility into open Purchase Orders and vendor payments:
BGR struggled with identifying open Purchase Orders and tracking expected items from vendors. They lacked clarity on the amount of advance payments made and the corresponding Purchase Orders associated with these payments.

Complex GST and TDS payment tracking across various locations:
Managing GST payments by state and TDS payments by section added to the complexity for BGR. Collating this data from various locations and teams required significant effort. A dedicated individual from the head office spent several days each month consolidating this data to complete final statutory payments.

These challenges resulted in:

- 40 hours spent quarterly on manual financial report generation
- Higher statutory payables due to inefficient inventory costing
- Difficulty in tracking material consumption accurately
- Significant time and effort required for statutory payment consolidation

THE TVARANA SOLUTION

Adoption of FIFO costing method:

- With the implementation of Netsuite, BGR Mining has transitioned to the FIFO costing method for inventory management.
- This change has enabled accurate tracking of expenditures and effective reduction of inventory costs.

Enhanced inventory monitoring:

- Tvarana implemented equipment-wise inventory consumption tracking reports.
- This facilitates simplified monitoring of inventory usage based on specific equipment.

Comprehensive financial reporting:

- NetSuite's financial reporting capabilities have allowed BGR Mining to consolidate data from all sites into a single comprehensive report.
- This functionality enables easy comparison of revenues and expenses across their operations.
- Custom financial reports tailored to BGR's specific requirements in NetSuite have addressed challenges with consolidated trial balances, providing a more efficient and accurate financial management solution.

Reduction in manual effort:

- BGR experienced a significant reduction in manual effort, with approximately 80% of their previous manual workload eliminated, signifying substantial efficiency gains.
- Role-based maker-checker workflows have been successfully implemented for transactions within NetSuite.
- This setup ensures a structured approval process, enhancing control and accountability over transactions within the organization's financial ecosystem.

Streamlined Procurement Process:

- With Tvarana's Procurement **Portals** SuiteApp, vendors can directly log in to portals to submit quotes, streamlining the quotation submission process for BGR Mining.
- This feature facilitates the comparison of quotes from different vendors, enabling the company to identify the most suitable vendors for their needs.
- By leveraging historical purchase data available through the SuiteApp, BGR Mining can make well-informed decisions about vendor selection, ensuring optimal procurement outcomes.

THE IMPACT

BGR Mining experienced a dramatic transformation:

- 80% reduction in manual workload
- Significant improvement in inventory cost management
- Enhanced visibility into procurement processes
- Streamlined statutory payment tracking
- Improved decision-making through access to historical purchase data

From struggling with manual processes to leveraging cutting-edge technology, BGR Mining & Infra has positioned itself for unprecedented growth and efficiency. This NetSuite optimisation and support not only solved immediate operational challenges but also laid the foundation for BGR's continued leadership in India's mining sector. By embracing digital transformation, BGR Mining & Infra has not just overcome its operational hurdles – it has set a new standard for efficiency and innovation in the mining industry, paving the way for a more productive and sustainable future.

> Very talented, experienced and resourceful. There are many ERP platforms that can work for you, but if you don't have an expert service provider that can customize the platform to your needs, it is worthless. I strongly recommend Tvarana., they are not only experts at NetSuite but also have a very good understanding of the industry and the customer needs.
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> **Vijayanand, CFO, BGR Mining & Infra Ltd.**

THANK YOU FOR YOUR INTEREST IN TVARANA!

Learn more about our
Continuous Optimization Services