



valuejunction

# E-SALE OF TATA STEEL FAMD { FERRO ALLOY MINERAL DEPARTMENT } ASSET SCRAP LOCATED ACROSS VARIOUS LOCATIONS



## INDUSTRY

Mining



## GEOGRAPHY

Odisha , India



## CHALLENGE

Sell FAMD obsolete equipment & asset scrap scattered across various mines & plants to the right buyers at the right price in shortest possible time



## BIDDING STRATEGY

- Lotting of material according to the locations
- Sealed Bid followed by Forward Auction



## RESULTS

There was active participation of bidders from entire Eastern India. The material was sold at best market price. The material will be evacuated within 15<sup>th</sup> April,2015.

## THE CLIENT

Established in 1907 as Asia's first integrated private sector steel company, Tata Steel Group is among the top-ten global steel companies with an annual crude steel capacity of nearly 30 million tonnes per annum. Tata Steel is now the world's second-most geographically-diversified steel producers and has operations spread over 26 countries and a commercial presence in over 50 countries. Tata Steel employs over 80,000 employees across five continents.

**THE IDLE ASSET UNDER SALE**  
valuejunction received a mandate from "Tata Steel" to sell their FAMD FAMD obsolete equipment & asset scrap that were scattered across their mines in Odisha.

## THE BUSINESS CHALLENGE

Tata Steel wanted to sell their FAMD obsolete equipment & asset scrap that was laying idle for a long time across their mines located in Odisha.

The mines were stacked with material ready for disposal and this resulted in a space constrain for Tata Steel to stock their new generation of material.

The main challenge was to evacuate the space at the earliest.

## THE SOLUTION & STRATEGY

valuejunction had prior experience in dealing with these type of assets and the concept of segregation of these scrap items in to various lots and then disposing the same through an online auction was proposed to Tata Steel.

Upon receipt of consent from Tata Steel on the proposed methodology for asset disposal, a list of all potential buyers available in the database of valuejunction were informed about these assets.

Inspection was coordinated & facilitated by valuejunction & Tata Steel. Interested parties visited the mines on different dates which prevented clustering of buyers.

A two stage online sale event was conducted & all interested buyers competed against each other to achieve the best market price.

## RESULTS AND ACHIEVEMENTS

The entire sales process was executed by valuejunction team within 15 days.

The auction saw good buyer participation from various parts of Eastern India.

Full payment including all taxes & duties have been deposited by the winning buyers and lifting of these assets is expected to be completed by 15<sup>th</sup> April,2015.