



## e-auction of MD 902 model Helicopter for TATA Steel



INDUSTRY

Aviation



GEOGRAPHY

Jamshedpur,  
Jharkhand



CHALLENGE

To sell the helicopter at  
the best market value



SOLUTION

Online forward auction



RESULTS

The helicopter was sold  
for INR 4.70Cr

### The Client

Tata Steel was established in India as Asia's first integrated private steel company in 1907. They also developed India's first industrial city at Jamshedpur. 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.

### Business Requirement

mjunction provides sale of idle assets as a service. mjunction received a mandate from TATA Steel for selling their MD 902 Helicopter which was acquired in the 2000 and put to use till May, 2017.

### The Business Challenge

- Tata Steel received offline bids for the asset; but was unsure if it was the right price for the asset.
- The helicopter was initially planned to be sold in the Indian market. After unsuccessful attempts at getting domestic buyers, Tata Steel wanted participation from international buyers.

### The Solution and Strategy adopted

- mjunction had prior experience in dealing with sale of aircrafts. A detailed study of the avionics market was done to ascertain the right market price for the asset.
- Customized terms and conditions were framed by mjunction keeping in mind the Indian & International regulatory requirements.
- Prospective buyers from North American markets were shortlisted as this model of helicopter was widely used in that geography.

### Result and Achievements

- There was active participation from bidders and a H1 price of INR 4.7 Cr was achieved from a buyer based out of USA.
- The final value realised in the e-auction was 56% more than the expected price.