



e-auction of colour coated coils (PPGI) for Essar Steel, Pune



INDUSTRY

Iron & Steel



GEOGRAPHY

Pune, Maharashtra



CHALLENGE

To sell the products offered at the right price



BIDDING STRATEGY

Extensive market research to identify the correct market and buyers



RESULTS

All products offered were sold online at a good price

The Client:

Essar Steel is an integrated steel producer with an annual production capacity of 10 million tonnes, which includes pellet making, iron making, steel making, and downstream facilities including cold rolling mill, galvanising, pre-coated facility, steel processing facility, extra wide plate mill and a pipe mill.

Business Requirement

The mandate received from Essar Steel to sell their Prime Colour Coated (PPGI Coils) from their Pune (Sanaswadi) Plant through the mjunction's e-portal.

The Business Challenge

- The products were previously sold offline through conventional channels.
- Since the material offered online for the first time, mjunction was unexposed to the market dynamics of the product.
- On the day of the event, a steel major announced a price increase, which the market was unwilling to absorb.
- The biggest challenge was to instil confidence in the buyers to book the material online.

The Solution and Strategy adopted

- Extensive market research was conducted to identify the correct market and buyers.
- mjunction convinced the buyers to come to the platform for the purchase of the product

Result and Achievements

- The event was successful with multiple buyers, up to 32 buyers bidding for the offered lots.
- As a result of aggressive bidding fair prices were achieved in the auction
- 16 out of 32 buyers were from the Northern region, which Essar wanted to penetrate.
- mjunction facilitated the materials to the buyers before the committed date.