



e-sale of Zinc Oxide plant of Hindustan Zinc Limited (HZL)



INDUSTRY

Mining & Minerals



GEOGRAPHY

Vishakhapatnam,
Andhra Pradesh



CHALLENGE

To sell the de-commissioned plant at the best market value through a transparent mechanism



SOLUTION

Multi Variable Bidding
Auction Strategy adopted



RESULTS

The plant was successfully
sold at INR 21.47 Cr

The Client

Hindustan Zinc Limited (HZL) is an integrated mining and resources producer of zinc, lead, silver and cadmium. It is a subsidiary of Vedanta Resources PLC. HZL is the world's second largest zinc producer.

Business Requirement

mjunction provides sale of idle assets as a service. mjunction received a mandate from Hindustan Zinc Limited to sell their decommissioned Zinc Oxide plant located in Vishakhapatnam, Andhra Pradesh.

The Business Challenge

- Prior to appointing mjunction services limited, HZL took a few quotations from the open market that did not meet their expectations.
- HZL did not have the expertise in determining the market value for the plant.
- The mandate was for an auction module that could sell the entire plant in a single lot, capturing the individual prices of each material in the plant and at the same time ensuring that a single buyer emerges as the winner.

The Solution and Strategy adopted

- mjunction undertook both offline and online marketing activities to reach out to prospective buyers across India.
- The auction strategy decided was Multi Variable Bidding Auction that met the exact requirement of the client.
- Eligible buyers were shortlisted and were facilitated to inspect the de-commissioned plant.

Result and Achievements

- The final value realised in the e-auction was 37 % more than the expected price.
- The plant was sold at a value of INR 21.47 Cr