

e-auction of decommissioned power plant for Birla Corporation Limited



INDUSTRY

Jute



GEOGRAPHY

Birlapur, West Bengal



CHALLENGE

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



SOLUTION

Online Forward Auction



RESULTS

The plant was successfully sold at INR 2.083 Crores.

The Client

Birla Corporation Limited is the flagship Company of the M.P. Birla Group. Incorporated as Birla Jute Manufacturing Company Limited in 1919. The Company is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute goods industry as well.

Business Requirement

mjunction provides sale of idle assets as a service. mjunction received a mandate from Birla Corporation Limited to sell their decommissioned power plant located in Birlapur, West Bengal.

The Business Challenge

- Birla Corporation Limited as not aware of the plant's present market value. This needed to be ascertained before undertaking the e-selling activities.
- Birla Corporation Limited wanted the best possible price for the asset through a transparent mechanism

The Solution and Strategy adopted

- The mjunction team conducted a valuation of the plant and submitted the report providing the current saleable value of the property.
- mjunction conducted both offline and online marketing activities to reach out to buyers across India.
- Inspection of the plant was facilitated for shortlisted buyers
- A forward auction was conducted to encourage competitive bidding among 17 buyers with the objective of achieving the best price realization

Result and Achievements

- The plant was sold at a value of INR 2.083 Cr
- The final value realised in the e-auction was 33 % more than the expected price.