



SELLING OF FLY ASH AGGREGATE PLANT



INDUSTRY

Fly Ash



GEOGRAPHY

Trombay, Mumbai,
Maharashtra



CHALLENGE

To discover the best market price by conducting a sale event of the plant among the buyers who only qualify in the technical Safety evaluation round.



SOLUTION

Detailed inspection of the plant and fixed the reserve price.
Found right buyers who can be technically qualified and place right market price.



RESULTS

The de-commissioned Fly Ash Aggregate plant fetched a H1 quote of INR 3.05 crores which was 12.62% higher than the reserve price.

The Client

Tata Power is India's largest integrated power company with a significant international presence. The Company has an installed generation capacity of 10857 MW in India and a presence in all the segments of the power sector viz Generation (thermal, hydro, solar and wind), Transmission, Distribution and Trading. It is one of the largest renewable energy players in India has developed country's first 4000 MW Ultra Mega Power Project at Mundra (Gujarat) based on super-critical technology.

Business Requirement

Tata Power wanted to sell the Fly Ash Aggregate plant through eAuction to the right buyer who are technically qualified by through document evaluation & site visit and follow all the safety norms of Tata Power and get a justified price realization.

The Business Challenge

- Tata Power did not have the expertise in determining the present market value of their de-commissioned fly ash aggregate plant.
- Only those buyers were allowed to participate in the auction who qualified in the Safety Evaluation conducted by Tata Power. Safety was the utmost importance & interested buyers had to prove that they were capable enough to carry out the dismantling & lifting of this plant after abiding to all the safety norms set by Tata Power.

The Solution and Strategy adopted by valuejunction (VJ)

- valuejunction had prior experience and expertise in dealing with sale of de-commissioned plants across India.
- valuejunction did a thorough inspection of the de-commissioned fly ash aggregate plant and provided a price estimation to Tata Power.
- Offline and Online marketing initiatives was adopted by for reaching out to prospective buyers across India.
- Eligible buyers were shortlisted basis the criteria set by Tata Power and they were allowed to inspect the de-commissioned plant.
- The H1 price was achieved through a transparent price discovery mechanism.

Result and Achievements

- Total Sale Value: 3.05 Cr
- Total no. of qualified buyers: 04
- Reserve price: 2.71 Cr.
- Premium Over H1 price: 0.34 Cr.

