

Selling of 13 Plants Owned by East Central Railways



INDUSTRY

An Engineering Consultancy Company



GEOGRAPHY

Dalmianagar, Bihar



CHALLENGE

To find a credible buyer who will give the right price for the plants and execute the project in a very short span of time.



SOLUTION

Detailed inspection of the various plants, market making and innovative auction strategies



RESULTS

H1 price of 94.3 Crs received which is 27.4% higher than the reserve price ; 20 buyers actively participated

The Client:

RITES Ltd, a Government of India Enterprise was established in 1974, under the aegis of Indian Railways. It is a multi-disciplinary consultancy organization in the fields of transport, infrastructure and related technologies. RITES is internationally recognized with operational experience of over 55 countries in Asia, Africa, Latin America, South America and Middle East regions.

Business Requirement:

RITES wanted to auction all the plants & machineries in a short cycle of time. They needed capable buyers who could pay the material value in a short span of time. RITES wanted to sell the whole material to a single buyer as they don't have bandwidth to monitor the dismantling and lifting activities. The client wanted the best price realization for their plant, machineries and spare items. They wanted a short window of lifting and dismantling time so that they can set up new industry as soon as possible.

The Business Challenge

- Finding adequate buyers for the auction as few credible buyers are there who could pay such a huge amount of capital in a short span of time.
- Selling the full material to a single buyer.
- Getting optimum price realization for the material on sale.
- Finding the correct salable value of the material so that the reserve price can be fixed.

The Solution and Strategy adopted:

- In-depth inspection especially of Machineries with photographs of materials & specifications to understand the product and target the right industries for sale.
- Market analysis to prepare price reports for realistic price benchmarking and successful sale
- Online and offline marketing in India and Middle East
- Innovative auction strategies and payment terms for optimum price realization
- Thorough market analysis to prepare price reports for realistic price benchmarking and successful sale

Results and Achievements:

H1 Price : INR 94.3 Crs | Total no. of buyers participated: 20 | Percentage above Reserve Price: 27.43%