



## e-AUCTION OF IDLE PLANT FOR LINDE INDIA LTD



### INDUSTRY

Industrial Gas



### GEOGRAPHY

Taloja, Maharashtra



### CHALLENGE

To sell the industrial gas plant at the right market value, to a credible buyer, using transparent mechanism.



### BIDDING STRATEGY

Sealed Bid followed by an English No Ties Forward Auction.



### RESULTS

The idle plant was sold for INR 61.20 lakhs and the H1 price was a premium of 21.29% over and above the benchmark price.

### The Client:

Linde India Limited (LIL), formerly BOC India Limited, is a member of The Linde Group and the leading industrial gases company in India. LIL owns and operates India's largest air separation plant and operates more than 20 production facilities and filling stations across the country. LIL caters to more than 20,000 gases and mixtures as well as provide a range of related services including construction and installation of plants, equipment, pipelines and associated engineering services catering to the needs of wide variety of industries. LIL has the largest sales and distribution network in the country and this gives it a wide geographic reach placing it close to their customers across the length and breadth of India.

### The Business Challenge:

- LIL desired to sell their idle plant to a single buyer.
- LIL wanted to sell this idle plant in a single lot and a price break up for each of the ferrous and non-ferrous items was to be provided.
- LIL wanted the best price for these assets in a depressed market condition.
- LIL did not have a repository of prospective buyers for these type of assets across India and they had no expertise in determining the market value for these idle items.

### The Solution and Strategy adopted by valuejunction (VJ):

- VJ did a thorough inspection and provided a price estimation to LIL based on which the benchmark price was frozen.
- Offline and online marketing initiatives was adopted by VJ for reaching out to prospective buyers.
- LOT strategy was proposed to maximise the price and a two stage sale event comprising of a sealed bid followed by an English no ties forward auction was held. There was healthy participation and good competition from the bidders.

### Value Addition to LIL:

