

Market Exit Strategy Consulting with Lanco Germany

Business Case

The Client

As one of India's leading business entities, Lanco Infratech Limited has been driving growth in the domains of Engineering, Procurement and Construction (EPC), Power, Solar, Natural Resources and Infrastructure over the last two-and-a-half decades. Its continuous focus on innovation and expansion together with its commitment to quality and excellence has contributed significantly to the progress that the company has made over a short span of time.

The 25-year-old Lanco group is, today, uniquely poised to attain leadership position in its areas of operation. Lanco Infratech Limited became a listed entity in November 2006 following the Initial Public Offering of shares. Lanco's gross revenue before elimination as on 31 March 2012 was Rs 15,398 Cores (USD 3.07 billion).

Business Challenge

LANCO group began with the work of the business division in 2011. Two years later, due to various reasons, the division could not expand its existing business operations and its revenue. Despite a good market entry, the LANCO management decided to leave the business segment to concentrate on its core business targets. On basis of this in time decision, the management avoided any losses and a smooth market exit could be realized for the company.

The market exit of a company with limited liability (GmbH) is equally important as its formation. Companies need to comply with the German statutory law to exit the German market accurately. It is linked to a number of special formalities, and compliances. At the end of liquidation, the removal of the company out of the commercial register has to be done. Regularly, the resolution will be decided by the shareholders' meeting and will be accomplished by a professional advisor.



Customized market exit framework

Fast and riskless company wind up

Claiming further expenses and resources

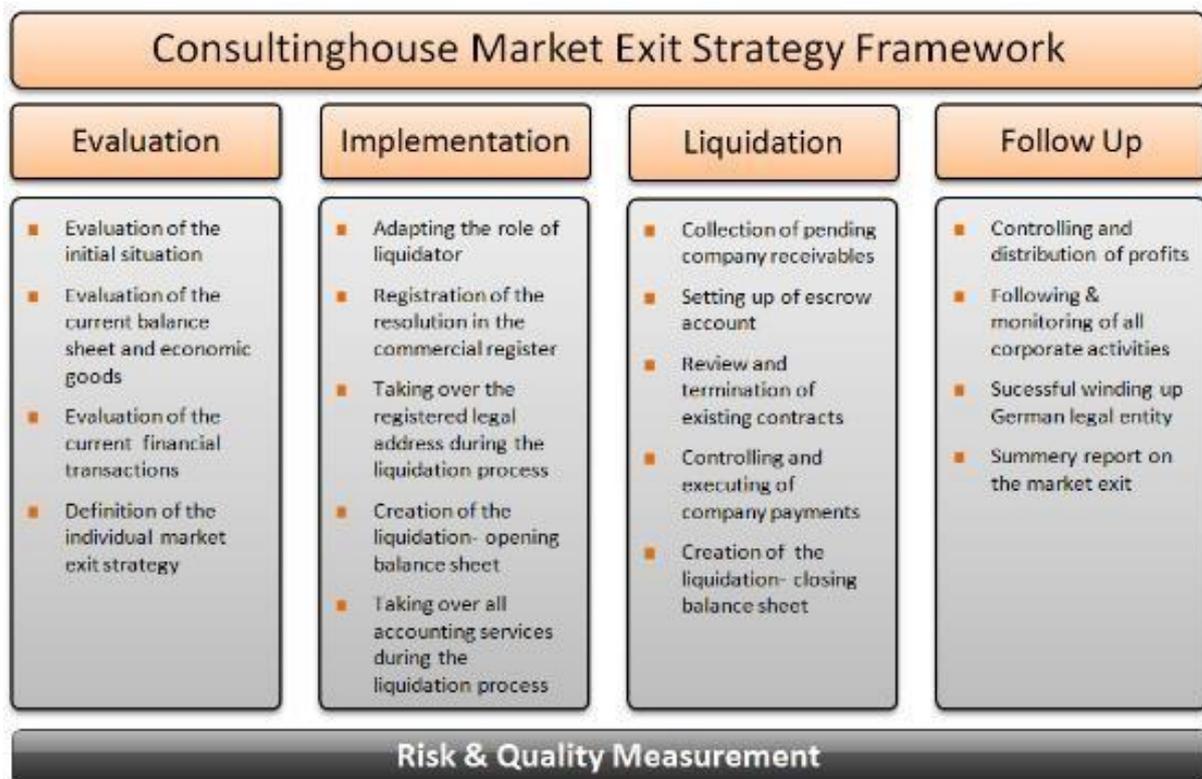
Full transparency on the market exit process

Our Approach

Before Lanco prepared their market exit from one business segment, the company has consulted the management advisory team of Consultinghouse which provided guidance and information regarding the most efficient market exit strategy. Especially in questions regarding debt and creditor, stockholder issues, and pertinent filings and documentation required by local, state and federal agencies, the advisory team of Consultinghouse could provide important information and specific answers. Choosing the best strategy means knowing the array of available exit options and evaluating them against business priorities.

When thinking about market exit, companies need to select the best strategy to generate value for its remaining business activities. In a pre-evaluation we have discussed all possibilities with the client attorney before making any decision. This guaranteed LANCO full transparency on the process and the realization measures taken by us. With our standardized market exit framework, we could ensure LANCO a secure and riskless process during the whole market exit. Within this market exit framework, we attempt to keep the services as flexible and customer specific as possible.

Services provided within the market exit framework



The Outcome

The claim of the professional advice of Consultinghouse resulted in a fast and uncomplicated company wind up. Thereby further risks along the insolvency proceedings could be eliminated. The great advantage by claiming the service of Consultinghouse was a quick market exit, so that further expenses and resources could be saved and invested in other strategic projects of the company. In addition, in taking advantage of the market exit framework of Consultinghouse, a straightforward procedure was given, so the company did not need to take care of the market exit process and was able to focus on his core business and future targets.

For more information about Lanco, please visit www.lancogroup.com

To learn more about Consultinghouse and how we can add value to your business and company please contact us today at info@consultinghouse.eu or +49 (0) 6181 250 334.