



ICMAI REGISTERED VALUERS ORGANISATION WEEKLY VALUATION NEWS



The Story Behind Your Valuation: Damodaran's Five-Step Framework

One of the lessons learned from the COVID-19 crisis is that a coherent narrative is more important than ever in business valuation, says Dr. Aswath Damodaran, of New York University Stern School of Business, who gave the keynote address at the CBV Congress 2021. A valuation needs a marriage of narrative and numbers, Damodaran says. In a good valuation, the numbers are "bound together" by a coherent narrative and storytelling is kept grounded with numbers. Too much emphasis on numbers can make valuations mere "plug-and-point exercises" that may be perceived to be sales pitches or a confirmation of preconceived values.

Source: BV Resources

Please read the full news at

<https://www.bvresources.com/blogs/bvwire-news/2021/08/24/the-story-behind-your-valuation-damodaran-s-five-step-framework>

Swiggy close to \$700 mn fundraise at a valuation of \$10-11 bn

Swiggy is nearing the close of its \$700 million fundraising at a potential valuation of \$10 billion-\$11 billion, two people aware of the matter said. The new round is expected to have Invesco as the lead investor, and it will close within a fortnight to a month, the people said, requesting anonymity.

Source: Live Mint

Please read the full news at:

<https://www.livemint.com/companies/start-ups/swiggy-close-to-700-mn-fundraise-at-a-valuation-of-10-11-bn-11638375748052.html>

IIT Madras faculty founded 94 startups till Oct, valued at over Rs 1,400 cr

From a startup aiming to make hybrid aerial vehicles to the ones working on converting waste to crude oil and efficient water transport solutions, faculty members at the Indian Institute of Technology (IIT), Madras founded at least 94 enterprises having a combined valuation of over Rs 1,400 crore. According to officials, the IIT faculty members have founded, mentored or advised over 240 startups in the past decade which today have a combined valuation of Rs 11,500 crore

Source: Business Standard

Please read the full news at:

https://www.business-standard.com/article/companies/iit-madras-faculty-founded-94-startups-till-oct-valued-at-over-rs-1-400-cr-121120500606_1.html

Equity Valuation: Definition, Importance and Process

Throughout finance, one rule always holds true. The general belief is that the value of any asset or security is exactly equal to the discounted present value of all the cash flows that can be derived from it in future periods. Using this principle, one can easily value securities like debt. This is because they have a finite existence. The cash flows derived from them can be easily predicted. However, equity valuation is not so simple. Equity represents a partnership in the business. As such, it represents an attempt to value cash flows which are uncertain and unpredictable.

Source: Management Study Guide

Please read the full news at

<https://www.managementstudyguide.com/equity-valuation.htm>

Market Value, Intrinsic Value and Investment Value

Equity valuation or the valuation of any asset is an art. Valuation is not a perfect science and there is no single correct answer to what the value of a security ought to be. Valuation is at best, an informed guess or an informed opinion. As such, when analysts use the term value, they might be using it to describe one of the many concepts that can fall under the umbrella term called "value". As students, we must therefore be aware of the different types of concepts related to valuation. This article will explain in detail, the three most popular ones:

Source: Management Study Guide

Please read the full news at:

<https://www.managementstudyguide.com/market-value-intrinsic-value-and-investment-value.htm>

Applications of Equity Valuation

"Valuation" or the process of assigning a fixed numerical value to the present and potential of a business is considered by many experts to be the most important part of corporate finance and financial markets. The most coveted and highly paid jobs in the financial markets are in this domain. The reason for this is that the accuracy of the value derived can never be known. It is not a verifiable fact and there is no right or wrong answer. Rather, the valuation is an opinion that is based on the expertise of the person conducting the exercise.

Source: Management Study Guide

Please read the full news at:

<https://www.managementstudyguide.com/applications-of-equity-valuation.htm>

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