



## ICMAI REGISTERED VALUERS ORGANISATION

### WEEKLY VALUATION NEWS



#### **HDFC AMC's market share woes raise questions on valuation**

HDFC AMC's market share based on overall outstanding AUM was 12% in the June quarter, slightly down from 13% in the previous quarter. But its market share has eroded 159 basis points ever since the pandemic broke out last year. HDFC Asset Management Co Ltd's June quarter performance disappointed investors on many parameters. To start with, the fund house's net profit failed to meet street expectations. Its operating expenses surged 28% driven by the 59% jump in employee benefit expenses due to employee stock options charge.

**Source: Live mint**

**Please read the full news at:**

**<https://www.livemint.com/market/mark-to-market/hdfc-amc-s-struggle-to-hold-market-share-keeps-street-edgy-about-valuation-11626853669636.html>**

#### **Swiggy raises \$1.25bn at \$5.5 bn valuation**

Swiggy said it has raised \$1.25 billion from investors, including SoftBank and Prosus, nearly matching the funds raised by rival Zomato in an initial public offering (IPO), as the two companies battle to dominate India's food delivery market. The fundraising announced on Tuesday valued Swiggy at \$5.5 billion, an increase of more than 50% from the \$3.6 billion it was valued in April last year, a person familiar with the development said, requesting anonymity.

**Source: Live mint**

**Please read the full news at:**

**<https://www.livemint.com/companies/start-ups/swiggy-raises-1-25-bn-in-latest-funding-at-5-5-bn-valuation-11626768155227.html>**

## **Strategic divestment: Valuation of companies caught in the crosshairs**

The Department of Commerce has flagged concerns over the valuation of companies under strategic divestment, citing the case of Neelachal Ispat Nigam (NINL). This has led to the government going back to the table on the method of valuing a public sector enterprise. The commerce department has objected to the enterprise value methodology used by the finance ministry's Department of Investment and Public Asset Management (DIPAM) for valuing NINL for its strategic divestment along the lines of Air India. The ministry had signposted this, saying it is not the "generally

**Source: Business Standard**

**Please read the full news at**

**[https://www.business-standard.com/article/companies/strategic-divestment-valuation-of-companies-caught-in-the-crosshairs-121072201584\\_1.html](https://www.business-standard.com/article/companies/strategic-divestment-valuation-of-companies-caught-in-the-crosshairs-121072201584_1.html)**

## **What Markdowns and Lower Valuations Mean for The Indian Startup Space?**

What happened in the last 12-18 months was purely abnormal. Previously, there was a certain pace at which you would fund a company. For example a Series A company, which is just starting, would be valued at \$4 million- \$5 million. For Series B, the company had to do earn a certain amount of revenue, show that they have business model that can scale and was then valued at \$20 mln- \$25 mln

**Source: entrepreneur.com**

**Please read the full news at:**

**<https://www.entrepreneur.com/article/274457>**

## **Growth To Continue, But Valuations Investors Are Willing to Ascribe to That Growth Have Changed**

Valuations and funding are two key words that have been trending this year. With India's prestigious unicorn Flipkart suffering two major markdowns, investors are now beginning to scrutinise funding more carefully. This also sends out a strong message to entrepreneurs, that it's not all rosy out there but it's not a bed of thorns either. One needs to carefully analyse their business models and show unit economics and scalability to secure funding

**Source: entrepreneur.com**

**Please read the full news at:**

**<https://www.entrepreneur.com/article/274512>**

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