



ICMAI REGISTERED VALUERS ORGANISATION WEEKLY VALUATION NEWS

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Why are India's Unicorns overvalued, when valuation itself is linked with future earnings?

The term 'unicorn' – a privately held technology startup with a valuation equal to or over \$1 billion (around Rs 7,500 crore) – was coined by Aileen Lee, an American angel investor and founder of Cowboy Ventures, a venture capital firm, in 2013. India did not have a single unicorn then. But as of January 2022, India had 83 'unicorns' with a total valuation of \$277.77 billion. Today, terms like minicorn, soonicorn, unicorn, decacorn, hectocorn, seed capital, bootstrapping, angel investor, evangelist, private equity, venture capital, cash burn, churn, burn rate, incubator financing, nondisclosure agreement, term sheet, sweat equity, series A, B, C...rounds, crowdfunding, pre-IPO funding, are all part of the popular jargon.

Source: Time of India

Please read the full news at

<https://timesofindia.indiatimes.com/blogs/green-carrot-americas-work-visa-crisis/why-are-indias-unicorns-overvalued-when-valuation-itself-is-linked-with-future-earnings/>

LIC IPO: Market Valuation Falls About ₹ 42,500 Crore On Tepid Debut

India's biggest-ever IPO, state-owned insurance giant Life Insurance Corporation (LIC), listed its shares at a discount of over 8 per cent on the BSE and the NSE on Tuesday. On the BSE, LIC launched at ₹ 867.20 per share, a discount of 8.62 per cent from its mega initial public offering (IPO) allotment price of ₹ 949. The tepid listing has resulted in a sharp drop in the market capitalisation of the country's largest insurer. At the issue price of ₹ 949, the market capitalisation of LIC stood at ₹ 6,00,242 crore. At the listing price, the valuation of LIC dipped to ₹ 5,57,675 crore, resulting in a loss of around ₹ 42,500 crore.

Source: NDTV.COM

Please read the full news at:

<https://www.ndtv.com/business/indias-biggest-ipo-lic-lists-with-8-62-discount-at-rs-867-20-per-share-2982336>

Delhivery IPO: Latest GMP, market experts predict 'weak' debut of shares

Delhivery IPO listing: Share listing date of Delhivery is fast approaching as most likely Delhivery IPO listing date is 24th May 2022. According to stock market experts, company's financials are poor and the company's public issue is priced at high valuation as well. They said that market sentiment is highly volatile and hence Delhivery shares may have a weak listing. Meanwhile, grey market sentiments are also not encouraging for the public issue. As per the market observers, shares of Delhivery are available at a discount of ₹5

Source: Live mint

Please read the full news at:

<https://www.livemint.com/market/ipo/delhivery-ipo-latest-gmp-market-experts-predict-weak-debut-of-shares-11653271609815.htm>

Indian crypto exchanges face valuation reality check amid tougher market conditions

Faced with a new bear market reality, Indian cryptocurrency exchanges are now staring at lower valuations with lower transaction volumes, tough taxation environment and tougher funding conditions from venture capital firms. As many as six funding and mergers & acquisitions deals are on hold owing to discrepancies in valuations between crypto platforms, investors, and strategic buyers, according to Economic Times. A leading exchange which reached out to VCs in September 2021 at peak valuations, recently closed a funding round at a lower valuation

Source: Times now news

Please read the full news at:

<https://www.timesnownews.com/cryptonow/indian-crypto-exchanges-face-valuation-reality-check-amid-tougher-market-conditions-article-91683502>

Startups fail when they set wrong expectations, chase valuations: Nithin Kamath

Nithin Kamath, the founder and chief executive of India's largest discount brokerage, said that misjudging the market size and opportunity, then setting wrong expectations and chasing valuations are probably the biggest reasons why startups fail. Sustainability is more important than valuation, Kamath tweeted. "Not every business is VC'able or can be valued at \$10mil, \$100mil, or \$1bil," he said. These comments come at a time when several startups have laid off staff due to scarce capital. This week alone, edtech platform Vedantu and online used car selling startup CARS24 announced job cuts. Kamath began his long Twitter thread saying the Indian market for business-to-consumer (B2C) tech businesses in terms of users who can generate revenue is maybe 15 crore maximum.

Source: Fortune India

Please read the full news at:

<https://www.fortuneindia.com/enterprise/startups-fail-when-they-set-wrong-expectations-chase-valuations-nithin-kamath/108265>

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