

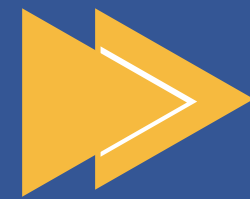


**FIN VAL**  
RESEARCH & CONSULTANCY

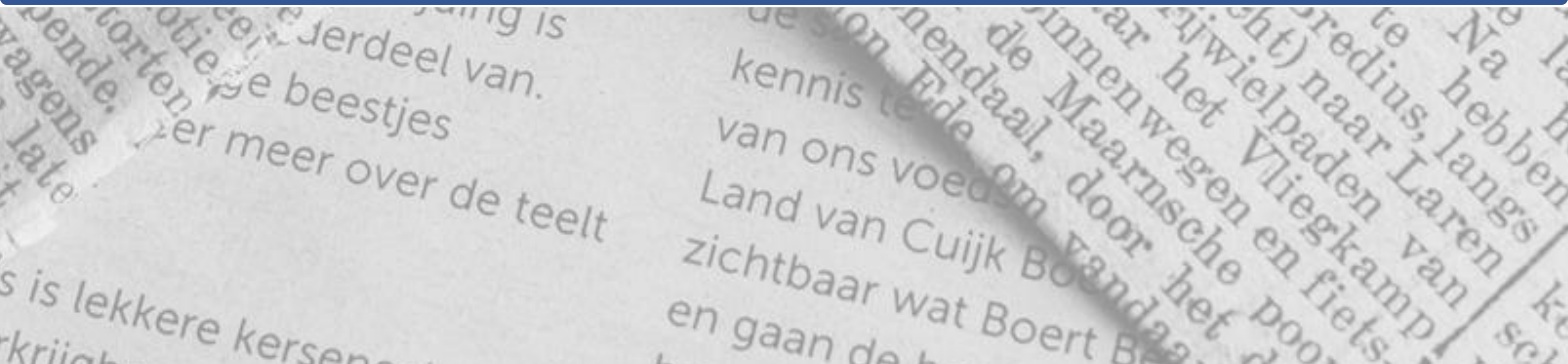
July

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# THE INFOWAVE: Your Weekly Pulse



*Valuation, Finance & Fund Raising*



# 1. OLA ELECTRIC'S \$1 BN IPO DREAM: READING BETWEEN THE LINES

Ola Electric has transformed into a prominent two-wheeler electric vehicle original equipment manufacturer (OEM).

Ola Electric is expected to go public with an IPO in early 2024.

Over the past two years, Ola's ride-hailing business has faded from the limelight, while Ola Electric has grown exponentially.

In May 2023, Ola Electric reportedly raised \$300 million at a valuation of \$6 billion and had plans to file the Draft Red Herring Prospectus (DRHP) in preparation for its IPO by September 2023.

## Finval Insight

- In the financial year 2022-23, Ola Electric recorded an operating loss of approximately INR 1,116 crore (\$136 M) while achieving a revenue of about INR 2,750 crore (\$335 M).
- In the first two months of FY23, their revenue surpassed INR 500 crore (\$61 M). The company reported sales of over 150,000 electric scooters during FY23.
- It aims to increase its revenue to INR 12,345 crore (\$1.5 B) in the financial year 2023-24. In March 2023, they achieved their highest-ever vehicle registrations, reaching 21,417 units.

## 2. VARASHAKTI HOUSING FINANCE SECURES ₹35 CRORE FUNDING FROM INCOFIN

Varashakti Housing Finance (VHF), a prominent rural housing finance provider based in Chennai, has successfully raised ₹35 crore (US\$4.3 million) in funding from Incofin, a Belgium-based impact investment firm.

The funding was part of the Series A round under the Incofin India Progress Fund. Founded by CV Sankar and Sahaana Sankar in 2017,

Varashakti Housing Finance specializes in serving the rural affordable housing finance market.

The company offers various financial products, including home loans, small ticket home loans, home improvement loans, small ticket business loans, and loans against property.

The company aspires to achieve an Assets Under Management (AUM) of ₹1,750 crore within the next five to seven years.

Read more at: <https://startupstorymedia.com/insights-varashakti-housing-finance-secures-₹35-crore-funding-from-incofin/>

### Finval Insight

- VHF witnessed a significant increase in its net interest income, reaching Rs. 5.78 crore compared to Rs. 3.11 crore in FY 2020-21. By February 28, 2023, the Net Interest Income further improved to Rs. 8.72 crore.
- The company reported a Profit After Tax (PAT) of Rs. 0.88 crore until February 2023 and Rs. 0.05 crore during FY 2022.
- The company reported an AUM of Rs 96.37 Cr. as on December 31, 2022 and Rs 63.21 Cr. as on March 31, 2022.
- The GNPA & NNPA levels stood at 2.49 percent and 1.87 percent respectively as on December 31, 2022, and as 1.51 percent and 1.29 percent on March 31, 2022.
- Despite mortgages being an extremely competitive product segment, affordable housing finance companies (AHFCs) have found a niche in serving an inadequately serviced customer segment.
- As a result of their distinguished market focus, AHFCs have witnessed AUM growth of 25-30% YoY, even >30% in select cases. The current AUM for the AHFCs is approximately Rs 500-1000 cr.



### 3. HAPPIEST MINDS TECHNOLOGIES RAISES RS 500 CRORE VIA QIP ROUTE

IT company Happiest Minds Technologies on Tuesday said it has raised capital to the tune of Rs 500 crore through Qualified Institutional Placement (QIP) of equity shares.

The fund-raising committee of the Board of Directors approved the allotment of 54.11 lakh equity shares of face value Rs 2 to eligible investors at a price Rs 924 per share (including premium of Rs 922 per equity share), the company said in a release.

This was the first-ever equity capital raise by the company after its successful IPO in 2020. The proceeds will be used for funding working capital requirements, investments in subsidiaries, funding inorganic growth and other general corporate purposes.

#### Finval Insight

- Happiest Minds Technologies is an Indian IT services company founded in 2011 by Ashok Soota. It offers digital transformation and IT consulting services.
- Over the last two years, the company showed strong financial performance with revenues of INR 1093 crores in 2022 and INR 1429 crores in 2023. EBITDA grew from INR 284 crores in 2022 to INR 358 crores in 2023.
- Diluted EPS stood at INR 12.55 in 2022 and INR 16.10 in 2023, reflecting higher profits per share and positive trends for shareholders. The company's share price was trading at Rs 995 prior to the announcement.
- Company's EV/EBITDA ratio: 37.59 (Higher than industry average: 24.60).

## 4. TELECOM STARTUP WIOM RAISES INR 140 CR SERIES A FUNDING LED BY RTP GLOBAL

Delhi-based telecom startup Wiom has raised Rs 140 Cr (\$17.1 Mn) in a Series A funding round led by RTP Global. With the fresh capital, Wiom will focus on expanding its footprint to cities throughout India while investing in high-quality talent and distributed delivery architecture.

Founded by Satyam Darmora, Nishit Aggarwal, Ashutosh Mishra, and Maanas Dwivedi in 2015, Wiom provides affordable and unlimited internet to middle and lower-middle income households through its platform-led distribution model using PM-WANI framework, launched by the Government of India. Wiom claims to have surpassed a user base of over 3 lakh in Delhi alone.

The startup aims to reach more than 15 Cr users in the next five years.

### Finval Insight

- Fixed broadband penetration in India still remains very low. As of April 2023, India had just 33.89 Mn wired broadband subscribers compared to 817.04 Mn wireless broadband subscribers, according to the latest subscriber report released by the Telecom Regulatory Authority of India (TRAI).
- Wiom has raised around Rs 175 crore (over \$21 million) to date including a Seed round of Rs 30 crore in April 2022. During FY22, it recorded over 2X growth in scale to Rs 5.56 crore as compared to Rs 2.5 crore in FY21.
- The startup is estimated to be valued at Rs 115 cr in its last round implying a revenue multiple of 20x on its FY 22 revenue.



## 5. BEYOND SNACK RAISES \$3.5 MN LED BY NABVENTURES FUND

Beyond Snack, a brand of banana chips from Kerala, raised \$3.5 million (Rs 28.7 cr) in a fundraising round headed by the NABVENTURES Fund.

The company, which is based in Alappuzha, Kerala, intends to use the incoming funds to improve supply chain skills, grow its distribution network, and make R&D investments.

In the upcoming year, the brand intends to reach 25 cities. Additionally, Beyond Snack has a presence in the United States, the United Arab Emirates, Australia, Sweden, Qatar, Nepal, Singapore, and Mauritius.

### Finval Insight

- The startup appeared in Shark Tank India in season 1 and was funded by Ashneer Grover and Aman Gupta for a valuation of Rs 20 cr (it received Rs 50 lacs for 2.5%).
- Since then, it's business has grown from Rs 20 lacs a month to Rs 2.25 cr a month (ARR of Rs 27 cr).
- India's organised snacks business is currently valued at Rs 4.24 lakh crore and is estimated to grow at a CAGR of 8% in the next five years to reach Rs 5.7 lakh crore, according to a Frost & Sullivan report.
- The Indian savory snacks market is valued at Rs 75,100 crore in 2022 and is expected to reach Rs 1.22 lakh crore by 2026 at a CAGR of 13%.

# Quick-View

- Customer experience platform Kapture CX raises \$4 million in funding
- Virtual restaurant operator Dil Foods raises \$2 mn
- Fraud management platform Effectiv raises \$4.5 million led by Better Tomorrow

Ventures

## PM-WANI

The Government of India launched **PM WANI (Prime Minister Wi-Fi Access Network Interface)** Scheme on **5 August 2022**. The scheme aims to bring large scale deployment of Wi-Fi hotspots through the country to drive up connectivity options and improve digital access.

### Benefits of PM-WANI

- WANI Wi-Fi architecture can lead to enhanced internet penetration which could lead to an increase in gross domestic product.
- It can scale up internet access in rural areas, thereby narrowing the digital divide.
- Can generate jobs in small- and medium-scale sectors.
- Could provide affordable internet access to the mass underserved section of society and help boost digital India.



# ABOUT US

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