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RBSA Coverage in Media

In a report, Valuation and Investment Banking Firm, RBSA Advisors, said that momentum investing is hexing the demand supply curve. "India is experiencing a wave of prefix investing, which involves a market bias for companies with an 'e-' as a prefix or '.com' as a suffix. To keep up with the growth experienced, there is a need for endless innovation to engage and exploit the market. Still, drawing comparisons between the present-day valuation boom and the dot-com bubble infers notable similarities: extraordinary rates of cash burn, colossal losses, ambitious assurances of steep growth trajectory and feeble due diligence by investors under the fear of missing out (FOMO)," the report said.

RBSA's report 'The Great e-Commerce Valuation Crash of 2018' drew up possible endgame scenarios between 2015 and 2018. It predicted that by 2017, investors will start exiting small players, who will run out of cash and be forced to down shutters. By 2018, "upon going for an IPO, a company's listed price shall not match its valuation at the last round of funding. This is going to cause a major crash where early exits will be lauded and a lot of investors are going to be an unhappy lot". If the food tech quagmire is any indicator, such a catastrophe could occur earlier.

- ◆ Valuation
- ◆ Investment Banking
- ◆ Advisory Services