

IS VALUATION OF FLIPKART AT \$5 BILLION JUSTIFIED?

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ABSTRACT

With the high penetration of smartphones in India and with improving Internet connectivity, e-commerce firms are expected to reach millions of new users in the coming years. Global financiers are lining up to invest in India's fledgling online retailers. Further, the changes in India's expanding online retail landscape indicate how shopping experiences will be shaped in future. Valuation of Flipkart at \$5 Billion is often cited as a fitting prologue to such a prophecy. This article is an investigation into the problem – whether this \$5 Billion evaluation is justified or not?

KEYWORDS: E-Commerce, Online, Flipkart, Internet, IT, Valuation, Startups, Billion, Online Retail, Digital, Sales, Capitalism, Technology, Business, Investors, Shopping, Service, Investment, E-Tailer