

# Business News Update

22.08.2024

## **“Believe In Yourself And All That You Are”.**

### **Paytm deal risks: Nomura shares target price, key driver for Zomato stock in near term**

With Zomato Ltd acquiring the entertainment ticketing business of (One 97 Communications Ltd (Paytm), foreign brokerage Nomura said there are two potential risks in the acquisition. The first is the smooth integration of the acquired businesses into the new 'District' app, which will be launched over the next few weeks. The initial cash burn to incentivise the users to migrate from Paytm's app to Zomato and District apps is the risk number two. Zomato has already hinted at this in its shareholder letter. Unlike Blinkit acquisition, where the founder Albinder Dhindsa and his team were well known to Zomato management (as they were ex-employees of Zomato), here the acquired team (of 280 people) is completely unknown," Nomura India said. The brokerage said it has not incorporated the newly-acquired business in its model pending the deal closure. It believes the key driver for

Source: [Business Today, August 22, 2024](#)

### **Decathlon plans to invest Rs 933 crore in India in 5 years**

French sporting goods firm Decathlon on Wednesday said it plans to invest €100 million (approximately Rs 933 crore) in India over the next five years. The firm, which posted a revenue of around Rs 4,000 crore in the country in FY24, added that it plans to double this figure in that period. "This investment will enable us to reach a wider audience and offer a more comprehensive sports experience," said Sankar Chatterjee, CEO, Decathlon India. The firm, which made its retail debut in the country in 2009, has 127 stores and three warehouses across 50 cities covering over 1.8 million square feet. As part of its expansion plans, it is aiming to raise this number to 175 stores by 2027, with focus on tier 1, 2 & 3 cities. It will also use the investment to further its omnichannel strategy, expanding its e-commerce business while also investing in its value chain. At present, 11-12% of the company's sales come from digital channels such as its app and website. Decathlon started production in India in 1999.

Source: [Financial Express, August 22, 2024](#)

### **Hiranandani's JV with Blackstone lines up Rs 4,500-cr investment**

Greenbase Industrial and Logistics Parks, a 50:50 joint venture between the Hiranandani Group and US-based private equity giant Blackstone, is set to invest Rs 4,500 crore to expand its industrial park footprint to over 20 million sq ft across India. "We have already invested Rs 2,000 crore to deliver 5.5 million sq ft of built-to-suit industrial space. Our plan is to invest Rs 4,500 crore more to scale up to 20-22 million sq ft across India in next five years," said Shridhar N, CEO, Greenbase Industrial and Logistics Parks. Launched in 2018 by real estate tycoon Niranjan Hiranandani in partnership with Blackstone, Greenbase's first project was in Oragadam in the southwest Chennai, which houses major automotive and ancillary firms such as Renault Nissan Automotive [India](#), Daimler India, and Apollo Tyres. The company currently holds 180 acres of land in Oragadam. On Wednesday, it announced a Rs 1,500 crore investment to acquire an additional 211 acres and fund construction of the total area of 391 acres.

Source: [Financial Express, August 22, 2024](#)

### **E-commerce boom in India a matter of concern: Goyal**

Commerce and industry minister Piyush Goyal on Wednesday questioned the business practices of global e-commerce giants like Amazon in India, accusing them of using corporate structures to circumvent rules and indulging in predatory pricing while taking on huge losses. "When Amazon says we will be investing \$1 billion in India and we celebrate, we forget the underlying story. Those billion dollars are not coming for any great service or investment to support the Indian economy. They made a billion-dollar loss in their balance sheet that year. They have to fill in the loss (from discounted sales)," the minister said at the release of a report called Net Impact of e-commerce on Employment and Consumer Welfare in India. "And how did that loss get caused? They paid `1,000 crore to professionals. I do not know who these professionals are...I would love to know which chartered accountants, professionals or lawyers get `1,000 crore unless you are paying all the top lawyers to block them so that nobody can fight a case against you," the minister added.

Source: [Financial Express, August 22, 2024](#)