

India & Global Corporate Pulse: Valuation, Strategy and Capital Implications

Newsletter

EDDITION : Jan 2026

Valuation 
INDIA

Valuation 
ARABIA

As global and Indian markets enter a more selective phase of capital deployment, recent headlines provide important signals for founders, CFOs, and investors. Developments ranging from cross-border trade agreements and strategic manufacturing alliances to earnings volatility, M&A consolidation, and regulatory tightening reveal a common theme: businesses are being rewarded not for scale alone, but for resilience, clarity of structure, and governance maturity. This newsletter examines how these trends translate into valuation, fundraising, ESOP strategy, and capital-market readiness.

Executive Snapshot: Key Corporate Developments (Last 15 Days)

These developments, while sector-specific, collectively highlight a deeper theme: **capital discipline, valuation defensibility, governance strength, and regulatory preparedness are now central to corporate decision-making.**

Trade & Policy

India–EU Free Trade Agreement negotiations concluded

Aviation & Manufacturing

Adani–Embraer MoU for regional aircraft assembly in India; Air India unveils upgraded Boeing 787-9 interiors

Earnings

Tata Consumer Q3 profit up 38%; Vodafone Idea loss narrows; Asian Paints profit declines

Technology

Byju's announces further layoffs; TCS signals C-suite rejig

M&A

ZEE–Sony merger agreements signed; Reliance Retail & Adani bid for Future Retail

Governance & Leadership

Key leadership changes at Tata Trusts; Swiggy COO steps down

Tax & Regulation

Tiger Global loses Supreme Court case on Flipkart tax structure

Introduction: Markets Are Repricing Strategy, Not Just Performance



The past fortnight in Indian and global corporate markets reflects a decisive shift. Businesses are no longer evaluated purely on topline growth or brand scale, **valuation is increasingly driven by structure, sustainability, compliance, and strategic optionality.**

On one end, macro-level developments such as the India–EU Free Trade Agreement promise long-term export growth and cross-border capital flows. On the other, company-level events from earnings volatility and layoffs to M&A consolidation and tax rulings are forcing boards and management teams to reassess value creation beyond quarterly results.

Section A: Policy, Trade & Cross-Border Strategy – Valuation Beyond Borders

India–EU Free Trade Agreement: Strategic Implications

The conclusion of negotiations on the India–EU Free Trade Agreement marks a pivotal moment for export-oriented Indian businesses particularly in **textiles, marine products, gems & jewellery, and manufacturing**.

Valuation Impact

- Expanded addressable markets improve long-term revenue assumptions
- Lower tariff barriers enhance margin sustainability
- Increased foreign investor interest in India-linked supply chains
- Cross-border comparables become more relevant in valuations

What This Means for Businesses

Companies positioned to benefit from the FTA will need to reassess long-term growth assumptions in valuation models, entity structuring for EU-facing operations, transfer pricing and tax alignment, and investor-facing pitch decks highlighting trade-led upside.

Valuation India–Arabia Value Add

- Cross-border business valuations incorporating trade-led growth
- Financial models factoring tariff, margin, and volume sensitivities
- Holding-company and operating-structure advisory
- Investor pitch decks aligned to global comparables and narratives

Section B: Aviation, Infrastructure & Manufacturing – Capital-Intensive Valuations

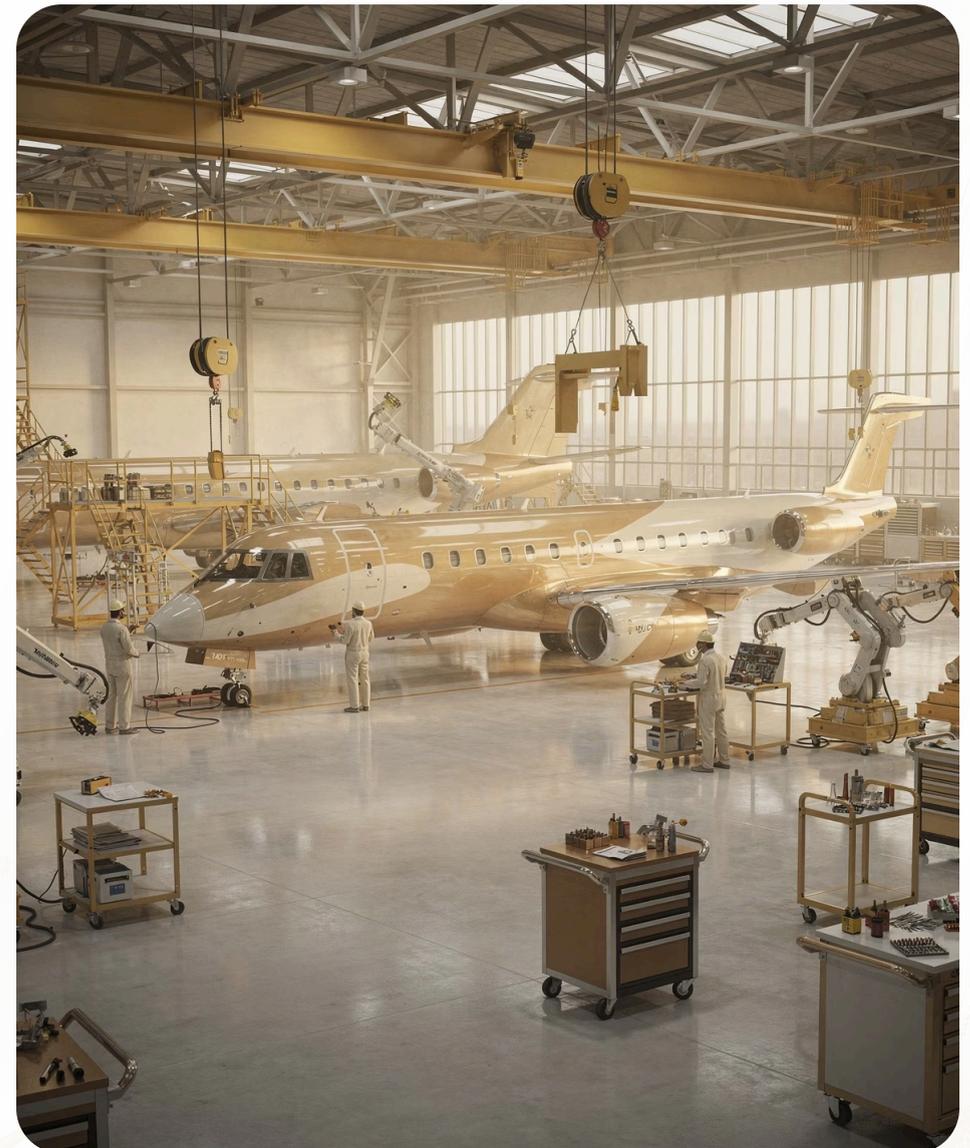
Adani-Embraer MoU & Air India Fleet Upgrades

The aviation sector saw significant momentum with Adani Group and Embraer signing an MoU to set up regional aircraft assembly in India, and Air India unveiling upgraded Boeing 787-9 interiors, reinforcing its premium repositioning strategy.

Valuation Implications

Aviation and infrastructure valuations are inherently complex due to high capital intensity, long gestation periods, regulatory dependencies, and cyclical demand patterns.

Strategic collaborations like Adani-Embraer signal a shift from asset ownership to ecosystem participation, focus on manufacturing, MRO, and supply-chain value, and increased reliance on project finance and long-term cash-flow modelling.



Infrastructure and Project Valuations

Complex asset valuations for long-term infrastructure investments

Scenario-Based Financial Modelling

Multi-year cash-flow projections across demand scenarios

Capital-Structuring Advisory

Equity vs debt vs hybrid instruments for capital-intensive projects

Strategic Valuation for Joint Ventures

MoU and partnership valuation frameworks

Section C: Earnings Season – What Profit Volatility Tells Us About Valuation

Key Q3 Results

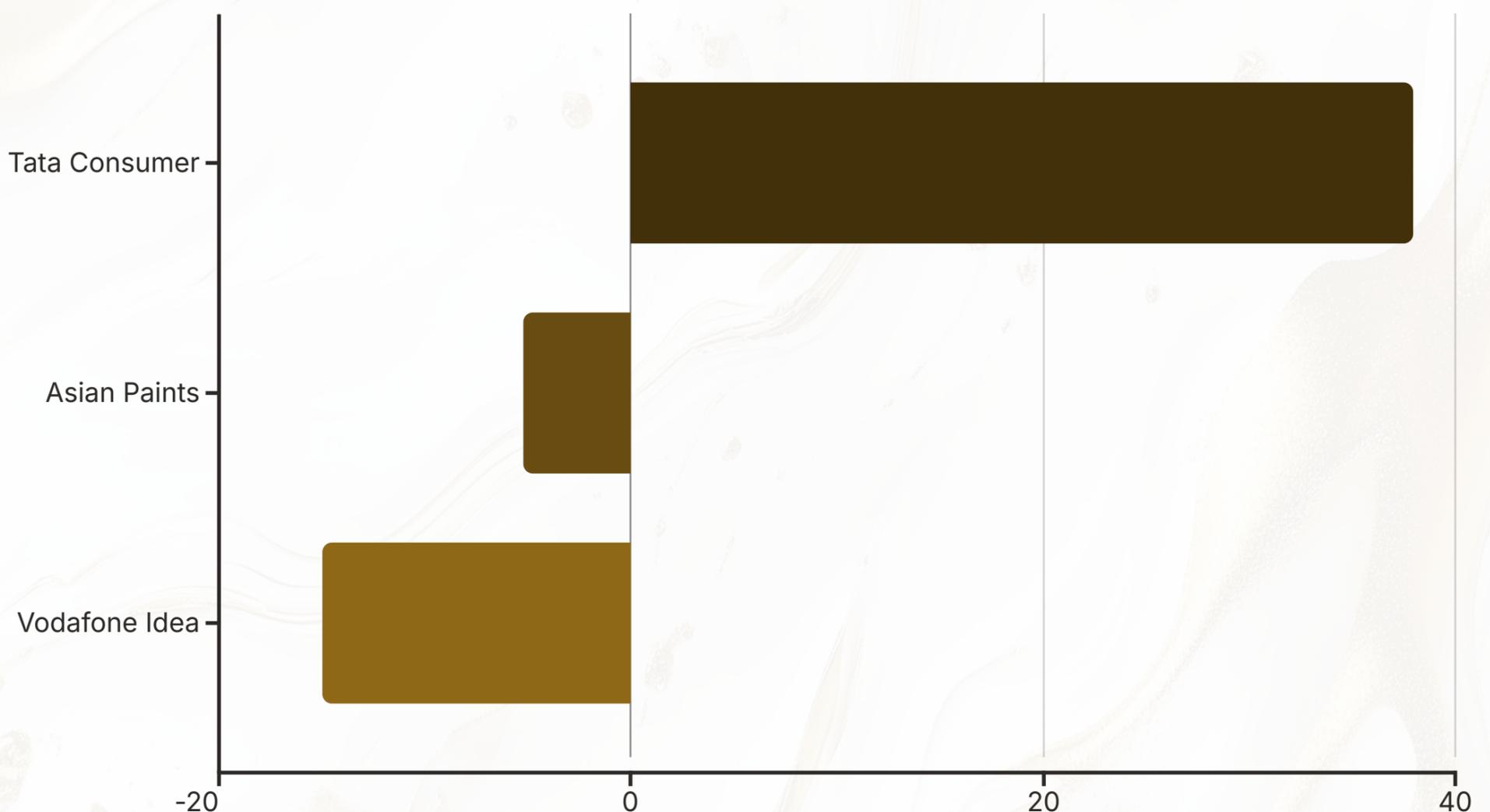
Strategic Takeaway: Earnings divergence reinforces that **valuation multiples are no longer uniform within sectors**. Markets are differentiating sharply between companies with pricing power and cash-flow resilience, and companies surviving on capital support and restructuring expectations.

Valuation Implications

- Discount rates must reflect balance-sheet risk
- Terminal values need reassessment
- ESOP valuations must factor business volatility
- Impairment testing becomes critical for asset-heavy businesses

Our Role

- Business valuation reviews linked to earnings sustainability
- Impairment and fair-value advisory
- ESOP valuations aligned with actual business risk
- Board-level valuation memos for audit and governance



Section D: Technology, Talent & Governance — Hidden Drivers of Value

Byju's Layoffs, TCS Leadership Changes, Swiggy COO Exit

Recent developments in the technology and startup ecosystem highlight a shift from growth-at-all-costs to **operational discipline and governance stability**.

Valuation Lens

Layoffs signal cost correction but also execution risk. Leadership changes impact continuity and strategic confidence. ESOP expectations must be recalibrated with realistic liquidity timelines.

Key Insight

Talent strategy and governance quality increasingly influence fundraising valuations, ESOP effectiveness, strategic buyer confidence, and long-term enterprise value.



ESOP Policy Redesign and Valuation

Aligning employee incentives with realistic business outcomes



Founder and Employee Equity Waterfall Modelling

Clear exit scenario planning and equity distribution analysis



Governance-Aligned Valuation Documentation

Audit-ready valuations supporting board decisions



Virtual CFO Support for Scaling Companies

Strategic financial leadership for growth-stage businesses

Section E: M&A, Tax & Regulatory Signals – Structuring Matters

ZEE–Sony Merger, Retail Bidding Wars & Tiger Global Tax Ruling



The ZEE–Sony merger agreements and competitive bids for Future Retail reaffirm India's consolidation trend. At the same time, the Supreme Court ruling against Tiger Global on tax benefits from its Flipkart stake sale sends a strong signal on **regulatory scrutiny of historic structuring**.

1

Transaction and Fairness Valuations

Independent valuations supporting M&A transactions and fairness opinions for stakeholder protection

2

Tax-Aware Valuation Structuring

Valuations factoring regulatory certainty and tax implications across jurisdictions

3

Cross-Border Structuring (India–UAE–Global)

Multi-jurisdictional entity structuring optimising tax and regulatory compliance

4

M&A Financial Modelling and Negotiation Support

Deal structuring with preference shares, earn-outs, and contingent consideration modelling

Key Takeaway: Deal valuations must factor regulatory and tax certainty. Historic offshore structures face re-evaluation. Preference shares, earn-outs, and contingent consideration require precise modelling to withstand regulatory scrutiny and deliver sustainable value creation.

Thank you

Gaurav Kshirsagar

☎ +91 90964 43660

✉ guarav.k@valuationindia.co.in

🌐 www.valuationindia.co.in

🌐 www.valuationarabia.com

Valuation  INDIA

Valuation  ARABIA

