

eBay sells part of stake in India's Snapdeal

August 18 2015



Co-founder and CEO of Snapdeal Kunal Bahl attends a press conference in New Delhi on July 15, 2015

eBay said Tuesday it was selling part of its stake in India's ecommerce startup Snapdeal, but said the Asian nation remains an "important market" for the US online giant.

An eBay statement offered no specifics on the divestment, describing the sale as "another step to effectively manage our global interests and invest in other [strategic initiatives](#)."

"Over the past two years, the valuation of Snapdeal has significantly increased, and because eBay was an early investor, this sale will enable us to earn a strong return on our invested capital and strategically redeploy it into other areas of our business," eBay chief financial officer Scott Schenkel said in the statement.

Schenkel added that "India is an important market for eBay, and part of our fast-growing APAC region" and that the California group would seek to grow its India-based ecommerce operations.

"While we will retain a significant portion of our original investment in Snapdeal, we also have a strong, healthy business with eBay.in," he said.

"Going forward, we will focus on accelerating eBay's presence in India, and empowering customers through technology, as with our new #SheMeansBusiness program that encourages female entrepreneurs."

Last year, Snapdeal secured some \$627 million from Japanese tech giant SoftBank, coming on top of the \$350 million previously raised since its founding in 2010. Snapdeal's valuation was estimated at \$2.0 billion at the time of the SoftBank deal.

US research firm CB Insights lists Snapdeal's current valuation at \$2.5 billion, making it the second largest venture-funded startup in the country after Flipkart.

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Citation: eBay sells part of stake in India's Snapdeal (2015, August 18) retrieved 19 April 2024 from <https://phys.org/news/2015-08-ebay-stake-india-snapdeal.html>

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