Chinese business giant Alibaba and its affiliated business Antfin sold their entire stake in e-commerce business Paytm Mall for Rs 42 crore which has led to a significant decrease in the business' value.

Media reports including the Press Trust of India announced that Paytm Mall is now worth around Rs 103 crore following the exit of early investors Alibaba and Antfin. However, Paytm Mall has hit back, stating that these valuations are incorrect.

“We are focused on our transition to build a sustainable business in partnership with ONDC and are excited about the future of e-commerce in India,” said a Paytm Mall spokesperson, Deal Street India reported. “As part of the shift in the business direction of the company, PEPL also saw the exit of early investors. The exit price of any investor(s) in the company via capital reduction process is not reflective of the valuation of the company and neither does the exit have any link to any FDI [foreign direct investment] laws. One simple metric is to consider that our cash balance itself is significantly higher than the quotes number in media reports, which establishes that the suggested low Fair Market Valuation is completely inaccurate.”

According to Paytm Mall’s parent entity Paytm E-commerce’s regulatory filing, accessed by the Press Trust of India, Paytm Mall bought the 28.34% stake of Alibaba and the 14.98% stake held by Antfin. Paytm Mall aims to pursue export opportunities moving forward.

Open Network for Digital Commerce, named ONDC, is a Government of India project which is in its pilot phase. The initiative is a platform which is designed to enable buyers and sellers to connect across multiple platforms as an open platform for e-commerce.