

**zomato**

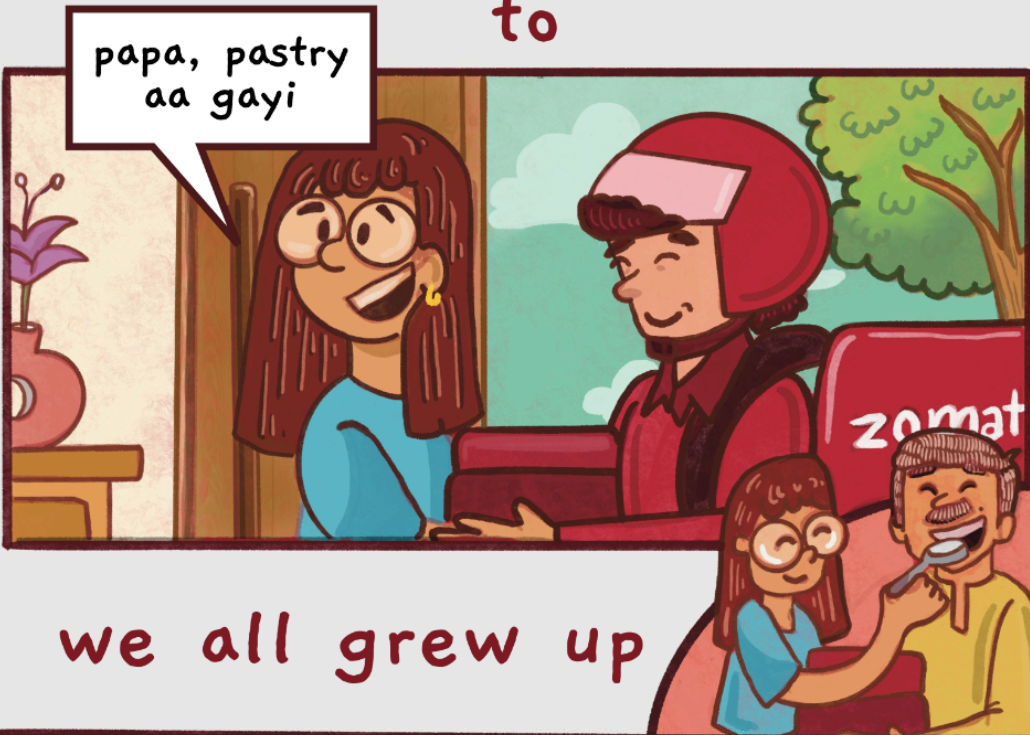
# Shareholders' Letter and Results

Q3FY24 | FEBRUARY 8, 2024

somewhere between...



to



POWERING INDIA'S CHANGING LIFESTYLES

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# OUR VISION STATEMENTS

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**Better food for more people**

ZOMATO & HYPERPURE

**Instant commerce indistinguishable from magic**

BLINKIT

**Make India malnutrition free**

FEEDING INDIA

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**zomato**

**hyperpure**  
BY ZOMATO

**blinkit**

**feeding india**  
A ZOMATO GIVEBACK

# Headline Results for Q3FY24

## (Quarter ending December 31, 2023)

### Consolidated

GOV (B2C business)

**INR 12,886 crore**

▲ 47%

YoY growth

Adjusted Revenue

**INR 3,609 crore**

▲ 53%

YoY growth

Adjusted EBITDA

**INR 125 crore**

**INR -265 crore (Q3FY23)**

▲ INR 390 crore YoY improvement

This is the first quarter where the prior year period (Q3FY23) has Blinkit financials consolidated for the full quarter, and hence we are not reporting the above metrics 'excluding quick commerce'.

#### Notes:

- 1) GOV (B2C business) defined as the combined GOV of consumer facing businesses i.e. food delivery, quick commerce and Going-out.
- 2) Adjusted Revenue defined as revenue from operations as per financials (+) actual customer delivery charges paid in the food delivery business (net of any discounts, including free delivery discounts on account of Zomato Gold program).
- 3) Adjusted EBITDA defined as EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'.

In the letter below, we will address the key questions that we think investors might have. Please refer to Annexure A for the key financial and operating metrics data.

## **Q1. How was the business performance in Q3FY24?**

**Akshant:** We continued to build on the momentum in the first two quarters of FY24.

GOV across our B2C businesses grew 47% YoY (13% QoQ) to INR 12,886 crore. On an annualised basis, we have now crossed INR 50,000 crore of GOV in our B2C businesses. Food delivery GOV grew 27% YoY (6.3% QoQ), quick commerce GOV grew 103% YoY (28% QoQ) and Going-out GOV grew 154% YoY (26% QoQ).

Consolidated Adjusted Revenue grew 53% YoY (12% QoQ) to INR 3,609 crore.

On the profitability front, consolidated Adjusted EBITDA was positive for the third consecutive quarter at INR 125 crore and improved by INR 390 crore as compared to the same quarter last year.

Please refer to Annexure A for the key financial and operating metrics data.

**Deepinder:** I think the key takeaways are as follows -

- 1) Our consolidated topline (Adjusted Revenue) continues to grow meaningfully above our stated expectation of 40%+ YoY. Infact, at this point, we expect the topline to continue growing at 50%+ YoY.
- 2) Food delivery
  - a) GOV growth is now back up to 25%+ YoY. At this point, we expect GOV to continue growing at 20%+ YoY, and perhaps accelerate further if we see more than expected market share gains and revival in macro consumer demand.
  - b) Annualised Adjusted EBITDA profit is now INR 1,000+ crore. We expect both margin expansion and GOV growth to drive further improvement in absolute profits.
- 3) Blinkit
  - a) GOV growth at 103% YoY (28% QoQ) continues unabated. Losses continue to decline and we are on track to meet our guidance of Adjusted EBITDA break-even on or before Q1FY25.

## **Q2. Everything seems to be going great. Anything we should watch out for?**

**Deepinder:** I would say complacency and accepting the status quo as the ideal place to be in, is when the culture and the business start to deteriorate. We need to continue being paranoid about driving innovation and disruption, or someone else will.

A lot of innovation in our business happens behind the scenes - which may not be obvious to a customer, but which compounds to make our platform more robust and hence improve the customer experience. To give you some examples -

(1) We built our proprietary geo-location technology which leverages our data on millions of deliveries and more accurately pinpoints customer location down to the last few metres. Enhancements to this platform have led to a dramatic >30% decrease in drop location errors in the last 12 months.

(2) Our in-house customer support platform 'One Support' has automated most of our customer support workflows by leveraging data sets built over the years. This has led to about a 35% reduction in our in-app query resolution time.

Several such innovations have eventually led to about a 20% decline in order cancellations and rejections, and a ~20% reduction in orders requiring support in our food delivery business over the last one year.

This improvement in quality of customer experience is a core building block for future growth as it drives higher customer adoption and ordering frequency.

### **Q3. The discretionary consumption in India across sectors was subdued in Q3FY24 but the food delivery business seems to have grown well. Any comments on that?**

**Rakesh:** Yes, the demand environment was muted in the last quarter (Q3FY24) and that is true even for the broader restaurant industry. Hence, food delivery GOV growth (at 6.3% QoQ /27% YoY) was lower than our expectations but still higher than some of the other players in the restaurant industry space.

One of the things driving the growth of our food delivery business is the fact that our platform is still underserved from a supply standpoint. The monthly active restaurant base on our platform has grown by 20%+ YoY in Q3FY24. This growth is driven both by new restaurants opening-up and our coverage of existing restaurants increasing.

### **Q4. Is the weakness in demand persisting in the current quarter (Q4FY24)?**

**Rakesh:** It is trending as per our projections so far. Please refer to the response in Q1 above for our outlook on more longer-term growth.

### **Q5. How is Zomato Gold contributing to the growth of the business?**

**Rakesh:** At this point, it is being used tactically to acquire (and re-acquire) customers and hence the pricing of the membership program is much lower than what we would want it to be. Customers have more than one option and hence we have to remain competitive on pricing. We are also seeing a lot of customers switching platforms at the time of membership renewal depending on who is offering the lowest price. While there is no debate on the need for a loyalty program, we are yet to get to sustainable pricing here.

### **Q6. Despite the drop in Zomato Gold pricing, how has the contribution margin still expanded to 7.1%?**

**Akshant:** Margins have continued to expand due to incremental improvements in other aspects of the business, as has been the case over the last four quarters since the launch of the Gold program. Many of these improvements have been a result of years of relentless work put in by the team, which is starting to pay off now. One example is the work we've done around improving ad-monetization, which is leading to consistent QoQ increase in ad revenue per order over the last several quarters. Introduction of a platform fee for all customers (including Gold members) in July 2023 has also helped in margin improvement.

### **Q7. Given ad revenue and platform fee revenue have increased, why has Adjusted Revenue as a percentage of GOV fallen in Q3FY24?**

**Akshant:** This is because only a small fraction of platform fee collected is reflected in reported revenue. The same is true for subscription revenue (for example Zomato Gold) also.

As per Indian accounting standards (Ind AS 115), we are required to net off any discounts and subsidies offered to customers against revenue earned from them (such as the platform fee and Zomato Gold subscription revenue). Adjusting for this difference, the Adjusted Revenue as a % of GOV would not have dropped in Q3FY24 as compared to Q2FY24.

This accounting adjustment however did not have any impact on GOV or Contribution (as our discounts and subsidies expense line was also correspondingly lower) or Adjusted EBITDA .

The above dynamic might continue to impact reported Adjusted Revenue as a % of GOV going forward as well if platform fee continues to increase (albeit with no impact on GOV or Contribution or Adjusted EBITDA).

## Q8. How much do you plan to increase the platform fee going forward?

**Rakesh:** We think it is too early to predict how the platform fee will shape up. Much like the Gold program, we are still testing the waters on what works and makes sense here from a long term perspective.

We will continue to tactically use levers like these to optimise both growth and margin expansion. Most importantly, as we do this, we will also continue to ensure the viability and well-being of each of our stakeholders – our customers, restaurant partners and delivery partners.

## Q9. Moving onto quick commerce, Blinkit had yet another quarter of hyper-growth. What drove this growth?

**Albinder:** In-line with our expectations, GOV grew 28% QoQ (103% YoY) largely driven by the robust uptick in demand that we witnessed due to the multiple festivals and occasions in the quarter. This growth was also fuelled by having the right assortment which addressed the most pertinent needs of our customers. The team also ensured consistently high service levels through minimal stock-outs and adequate delivery partner availability during periods of peak demand.

While most of the GOV growth was order volume-led, part of it was also driven by an increase in average order value, which continued to benefit from a higher mix of high ASP (average selling price) categories such as electronics, festive needs, home décor, among others.

We also added 40 net new stores this quarter, taking the total store count to 451 as at the end of the quarter. Despite the increase in store count, our average GOV per day, per store grew 17% QoQ reflecting healthy same store sales growth.

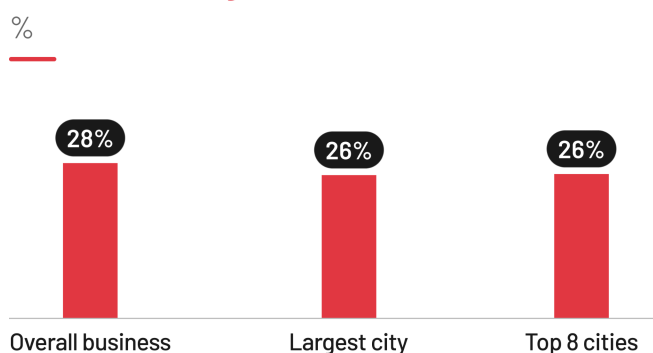
## Q10. Are your tier 1 cities still growing or is the growth driven more by smaller cities now?

**Albinder:** ~90% of our GOV comes from our top eight cities currently and hence to maintain the current pace of growth in the overall business, even our top eight cities would need to grow at roughly the same pace.

As mentioned in our last letter, most of our new store addition is focused on (a) existing neighbourhoods where we are exceeding current store capacity or (b) covering more neighbourhoods in existing cities.

Outside of this, we are selectively adding a couple of stores to test the waters in high potential new cities. So far, all the new cities that we have launched in are showing good potential and we will look to subsequently scale these cities as well. In the last quarter, we launched stores in two new cities – Goa and Agra.

**Blinkit GOV QoQ growth (Q3FY24)**



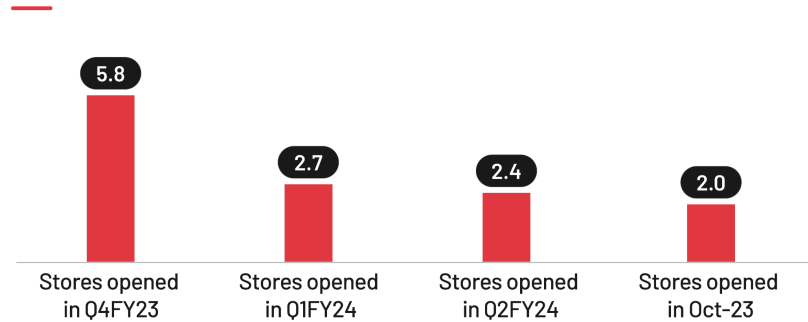
## Q11. What is driving the increase in contribution margin despite the acceleration in store expansion?

**Albinder:** As mentioned in our last letter, the aggregate contribution margin in the business is a weighted average of Contribution profits from scaled stores and the cost to break-even on new stores. In Q3FY24, close to 70% of our stores were Contribution positive and ~20% of these were operating at a 5%+ contribution margin resulting in a growing pool of Contribution profit, which is creating room for investing in new stores while also continuing to improve the aggregate contribution margin.

**Akshant:** Our new stores are also ramping up faster than before given the strong product market fit and growing awareness of quick commerce amongst customers. In the last four quarters, the average time taken for newly launched stores to reach a volume of 1,000 orders per day (at which point stores typically start to achieve Contribution break-even), has consistently reduced from an average of 5.8 months for our cohort of new stores added in Q4FY23 to about two months for our most recent cohort of stores opened in October 2023.

### Time taken for new stores to reach 1,000 orders per day (OPD)

# of months



Note: Data shown above represents weighted average of time taken to reach 1,000 OPD by each monthly cohort of new stores opened in the quarter.

Quicker store ramp-up means quicker recovery of all fixed costs related to dark stores and warehouses and hence lesser time to reach Contribution break-even, resulting in lower investment per new store launched. This gives us room to further accelerate network expansion without impacting our Adjusted EBITDA break-even timeline.

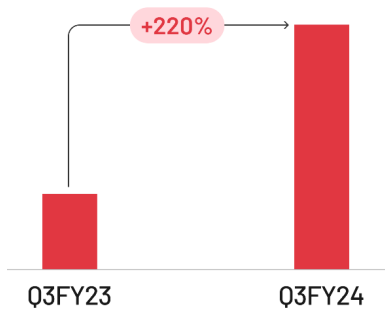
## Q12. How is ad monetization shaping up at Blinkit?

**Albinder:** The quick commerce advertising opportunity is turning out to be promising so far. Blinkit ad revenue has grown at double the pace of GOV growth over the last one year (up 220% YoY in Q3FY24 vis-à-vis 103% YoY GOV growth). Based on the feedback we are receiving from advertisers, we believe that the following factors are making Blinkit a preferred advertising platform for both large and emerging brands in the country -

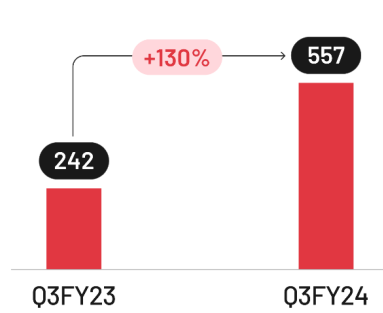
1. **Quick commerce is one of the most transacted categories online** - Transacting frequency on Blinkit is amongst the highest in any consumer internet category in India. Brands are therefore looking to build visibility with a highly engaged and fast-growing customer base with spending power.
2. **Easy-to-use self-serve ad platform** - Our programmatic ad-bidding platform gives brands full flexibility to efficiently serve ads with multiple permutations and combinations, thereby helping them drive more targeted ad spends.
3. **Measurable and high ROI on ad spends** - Linking ad impressions to actual sales helps brands accurately measure ROI. Moreover, given the speed of order fulfilment, brands are also able to see almost real time impact of their ad spends. With the hyperlocal insights and targeting that is possible on our platform, brands have been generating high ROI on their ad spends, which is in turn driving high advertiser retention rates for us.

All of the above have led to a healthy increase in the number of advertisers and ad spend per advertiser over the last five quarters. Revenue concentration of the top 20 advertisers has fallen from 61% in Q3FY23 to 40% in Q3FY24 despite a 108% YoY growth in ad spends by the top 20 advertisers.

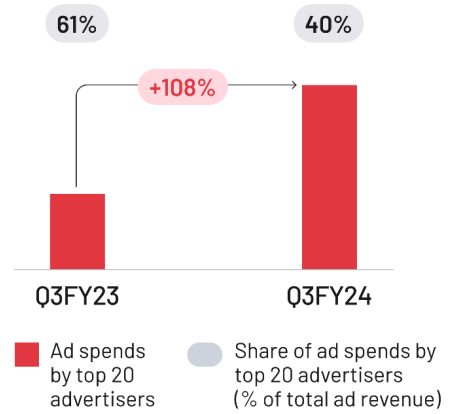
### Ad revenue



### # of advertisers



### Ad spends by top 20 advertisers



## Q13. Any updates on the ESG front?

**Deepinder:** Yes, we do have a few updates.

On the environment front, to encourage our restaurant partners to use eco-friendly alternatives for packaging, we have started recognizing restaurant partners that have made the switch to plastic-free packaging options for deliveries made through our platform. We do this by highlighting such restaurants with a 'Plastic-free-order' banner on our app. The aim is to expand the program and facilitate delivery of 100 million plastic-free orders by the end of 2025. This initiative is over and above our '100% plastic neutral deliveries' initiative where we voluntarily recycle more than 100% of all plastic utilised by restaurant partners in the packaging of orders placed on the food delivery platform.

On the social front, we launched an industry-first maternity insurance plan for women delivery partners, which is aimed at creating an inclusive environment for our women delivery partners. This plan offers crucial assistance throughout the pregnancy period by covering key costs related to pregnancy and childbirth, and is available to all women delivery partners who meet certain criteria of orders delivered through the Zomato platform.

Finally, in terms of contributing to road safety, we have launched an impactful 'first-responder training program' initiative for our delivery partners across India. Under this initiative, we are enabling our delivery partners to learn the nuances of medical first-aid & CPR (Cardiopulmonary Resuscitation) through professional and certified training programs. By December 31st, we had over 6,500 first-response emergency heroes within our delivery partner network across Delhi-NCR, Mumbai, Bangalore, Hyderabad and Pune. We aim to expand this program to reach three lakh delivery partners across India.

## Q14. What was the cash balance at the end of Q3FY24?

**Akshant:** The cash balance increased by INR 254 crore in the quarter. This was the third consecutive quarter of increase in our cash balance. Please see the bridge between Adjusted EBITDA and closing cash balance below.



<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>
<b>Adjusted EBITDA</b>	<b>-265</b>	<b>-175</b>	<b>12</b>	<b>41</b>	<b>125</b>
Add: Treasury income received	117	230	329	37	136
Less: Capital expenditure incurred	-35	-25	-24	-35	-60
Add: Other items	-13	10	-91	21	18
<b>Cash (burn) / surplus</b>	<b>-197</b>	<b>40</b>	<b>226</b>	<b>64</b>	<b>219</b>
Add: (Increase) / Decrease in net working capital	114	-180	25	124	35
<b>Change in cash</b>	<b>-83</b>	<b>-140</b>	<b>251</b>	<b>188</b>	<b>254</b>
Add: Opening cash balance	11,546	11,463	11,323	11,573	11,761
<b>Closing cash balance</b>	<b>11,463</b>	<b>11,323</b>	<b>11,573</b>	<b>11,761</b>	<b>12,015</b>

Note: Treasury income is as per actual cash received (and not on accrual basis). Hence, there will be quarterly variation in the quantum.

### **Q15. The cash balance is now more than INR 12,000 crore and increasing. Are there any plans to return cash to shareholders?**

**Akshant:** Our business and industry structure are still young and nascent. At this point we want to keep a strong balance sheet. I would say that it is safe to assume that we may not do any buyback or dividend distribution in FY24 or FY25.

### **Q16. Anything else you would like to add?**

**Deepinder:** Yes, a quick note on Hyperpure and Going-out.

Hyperpure Revenue grew 15% QoQ (104% YoY) driven by growth in both the core restaurant supplies business and the relatively newer quick commerce opportunity. To address a growing need of our restaurant partners, we are now setting up a plant for processing value-added food supplies including, sauces, spreads, pre-cut and semi-finished perishable products, among others. Over time, this has the potential to expand margins and drive higher engagement with our restaurant partners.

On Going-out, we have launched our events ticketing platform in nine cities in India - we now have a separate 'Events' tab on our Zomato app in these cities.

That's it for now.

—  
THE END

## Annexure A - Quarterly disclosures

### Consolidated summary financials

#### Adjusted Revenue

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>	<b>QoQ change</b>
Food delivery	1,565	1,530	1,742	1,925	2,025	5%
Hyperpure (B2B supplies)	421	478	617	745	859	15%
Quick commerce	301	363	384	505	644	28%
Going-out	58	41	42	49	73	49%
Others	17	2	1	3	8	167%
<b>Adjusted Revenue</b>	<b>2,363</b>	<b>2,413</b>	<b>2,786</b>	<b>3,227</b>	<b>3,609</b>	<b>12%</b>
YoY % change	66%	57%	54%	53%	53%	-

#### Adjusted EBITDA

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>	<b>QoQ change</b>
Food delivery	23	78	181	204	252	48
Hyperpure (B2B supplies)	-53	-45	-35	-34	-34	0
Quick commerce	-227	-203	-133	-125	-89	36
Going-out	-7	-2	3	1	1	0
Others	-2	-3	-4	-5	-5	0
<b>Adjusted EBITDA</b>	<b>-265</b>	<b>-175</b>	<b>12</b>	<b>41</b>	<b>125</b>	<b>84</b>

Notes:

- Adjusted Revenue shown above does not include inter-segment revenue.
- There could be some totalling anomalies in the numbers displayed above due to the impact of rounding off.

### GOV (B2C business)

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>	<b>QoQ change</b>
Food delivery	6,680	6,569	7,318	7,980	8,486	6%
Quick commerce	1,749	2,046	2,140	2,760	3,542	28%
Going-out	338	348	616	682	858	26%
<b>GOV (B2C business)</b>	<b>8,767</b>	<b>8,963</b>	<b>10,074</b>	<b>11,422</b>	<b>12,886</b>	<b>13%</b>
YoY % change (Food delivery)	21%	12%	14%	20%	27%	-
YoY % change (Quick commerce)	-	-	-	-	103%	-
YoY % change (Going-out)	0%	10%	61%	129%	154%	-
<b>YoY % change (B2C business)<sup>1</sup></b>	<b>50%</b>	<b>45%</b>	<b>48%</b>	<b>47%</b>	<b>47%</b>	<b>-</b>

Notes:

- Quick commerce data used for YoY % change (B2C business) computation includes Blinkit data from 10-Aug-22 onwards (transaction closing date).

## Food delivery

### Financial metrics

INR crore, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
GOV	6,680	6,569	7,318	7,980	8,486
YoY % change	21%	12%	14%	20%	27%
Adjusted Revenue	1,565	1,530	1,742	1,925	2,025
YoY % change	30%	19%	19%	22%	29%
Contribution	339	380	466	525	601
Contribution as a % of GOV	5.1%	5.8%	6.4%	6.6%	7.1%
Adjusted EBITDA	23	78	181	204	252
Adjusted EBITDA as a % of GOV	0.3%	1.2%	2.5%	2.6%	3.0%

### Operating metrics

'000, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Average monthly transacting customers (million)	17.4	16.6	17.5	18.4	18.8
Average monthly active food delivery restaurant partners	209	215	226	238	254
Average monthly active delivery partners	330	316	352	410	419

## Hyperpure (B2B supplies)

### Financial metrics

INR crore, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Revenue	421	478	617	745	859
YoY % change	169%	146%	126%	123%	104%
Adjusted EBITDA	-53	-45	-35	-34	-34
as a % of Revenue	-13%	-9%	-6%	-5%	-4%

## Quick commerce

### Financial metrics

INR crore, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
GOV	1,749	2,046	2,140	2,760	3,542
YoY % change	-	-	83%	86%	103%
Revenue	301	363	384	505	644
YoY % change	-	-	134%	114%	114%
Contribution	-79	-56	-14	36	86
Contribution as a % of GOV	-4.5%	-2.7%	-0.6%	1.3%	2.4%
Adjusted EBITDA	-227	-203	-133	-125	-89
Adjusted EBITDA as a % of GOV	-13.0%	-9.9%	-6.2%	-4.5%	-2.5%

### Operating metrics

million, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Orders	31.6	39.2	36.8	45.5	55.8
Average order value (AOV)(INR)	553	522	582	607	635
Average monthly transacting customers	3.1	3.9	3.9	4.7	5.4
Average monthly active riders ('000)	39	43	46	59	73
Average GOV per day, per store (INR '000)	524	625	620	757	889
Stores at the end of the period (#)	362	377	383	411	451

Notes:

- 1) Refer to Annexure C for definitions relating to the quick commerce business.
- 2) GOV per day, per store is calculated as a simple average of total GOV transacted per day divided by total number of stores operational for the day, for that period.

## Going-out

### Financial metrics

INR crore, unless otherwise mentioned

	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
GOV	338	348	616	682	858
YoY % change	0%	10%	61%	129%	154%
Revenue	58	41	42	49	73
YoY % change	91%	13%	-10%	88%	26%
Adjusted EBITDA	-7	-2	3	1	1
as a % of GOV	-2%	-1%	0.5%	0.1%	0.1%

## Annexure B - Adjusted Revenue and Adjusted EBITDA reconciliation

The following table reconciles revenue from operations and stated loss for the period (as per Ind AS) with Adjusted Revenue and Adjusted EBITDA, respectively.

### Adjusted Revenue

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>
Revenue from operations	1,948	2,056	2,416	2,848	3,288
Add: Customer delivery charges	415	357	370	379	321
<b>Adjusted Revenue</b>	<b>2,363</b>	<b>2,413</b>	<b>2,786</b>	<b>3,227</b>	<b>3,609</b>

### Adjusted EBITDA

<i>INR crore, unless otherwise mentioned</i>	<b>Q3FY23</b>	<b>Q4FY23</b>	<b>Q1FY24</b>	<b>Q2FY24</b>	<b>Q3FY24</b>
<b>Adjusted EBITDA</b>	<b>-265</b>	<b>-175</b>	<b>12</b>	<b>41</b>	<b>125</b>
Add: Other income	173	171	181	212	219
Add: Rental paid pertaining to 'Ind AS 116 leases'	28	33	40	44	48
Less: Depreciation & amortization expense	155	134	130	128	128
Less: Finance cost	16	15	18	16	18
Less: ESOP expense	129	84	100	132	122
Less: Exceptional items	0	0	0	0	0
Less: Tax expense	-17	-16	-17	-15	-14
<b>Profit / (loss) for the period</b>	<b>-347</b>	<b>-188</b>	<b>2</b>	<b>36</b>	<b>138</b>

Note: There could be some totalling anomalies in the numbers displayed above due to the impact of rounding off.

## Annexure C - Glossary for terms used in reference to the business

### Consolidated

Term	Description
Revenue	Consolidated revenue from operations as per financials which includes food delivery Revenue (+) Hyperpure (B2B supplies) Revenue (+) Quick commerce Revenue (+) Going-out Revenue
Adjusted Revenue	Defined as Revenue (+) actual customer delivery charges paid in the food delivery business (net of any discounts, including free delivery discounts on account of Zomato Gold program)
Adjusted EBITDA	Defined as EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'

### Food delivery

Term	Description
Food delivery business	Refers to India food ordering and delivery business
Orders	All food delivery orders placed on our platform in India, including canceled orders
Gross order value (GOV)	Total monetary value of Orders gross of any restaurant or platform funded discounts (excluding tips)(+) actual customer delivery charges paid (net of any discounts, including free delivery discounts on account of Zomato Gold program)(+) packaging charges (+) taxes
Average order value (AOV)	GOV divided by number of Orders
Revenue	Defined as commission and other charges (+) ad revenue (+) platform fee and subscription revenue (net of discounts, credits and refunds other than free delivery)(+) restaurant & delivery partner onboarding fee
Adjusted Revenue	Defined as Revenue (+) actual customer delivery charges paid (net of any discounts, including free delivery discounts on account of Zomato Gold program)
Contribution	Defined as Adjusted Revenue (-) last mile delivery cost (-) platform funded discounts (-) payment gateway charges (-) customer support and appeasement cost (-) customer & restaurant partner refunds (-) delivery partner recruitment and onboarding cost (-) cash on delivery handling charges (-) other miscellaneous costs
Monthly transacting customers	Number of unique transacting customers identified by customers' mobile number that have placed at least one Order in India in that month

## Food delivery (continued)

Term	Description
Monthly active delivery partners	Unique delivery partners identified by their national identity proof who successfully delivered at least one Order in India in that month
Monthly active food delivery restaurant partners	Unique restaurant partners that received at least one Order in India in that month

## Hyperpure

Term	Description
Revenue	Total monetary value of goods sold on the Hyperpure platform (net of any returns/ discounts)(+) actual delivery charges paid (net of any discounts)(+) other revenue
Adjusted Revenue	Same as Revenue

## Quick commerce

Term	Description
Orders	Defined as all orders placed on the Blinkit marketplace platform in India, including canceled orders
Gross order value (GOV)	Total monetary value of Orders at maximum retail price ("MRP") of goods sold (except for instances where MRP is not applicable such as fruits and vegetables in which case final selling price is used instead of MRP), gross of any seller/ brand/ platform funded subsidies (excluding tips)(+) actual customer delivery charges paid (net of any discounts) (+) other charges such as handling fee, convenience fee, packaging fee (+) taxes
Average order value (AOV)	GOV divided by number of Orders
Revenue	Defined as Blinkit marketplace commission income (+) actual customer delivery charges (net of any discounts)(+) ad revenue (+) warehousing and ancillary services income
Adjusted Revenue	Same as Revenue

## Quick commerce (continued)

Term	Description
Contribution	Defined as Adjusted Revenue (-) dark store operations cost (including actual rent paid prior to any accounting adjustment for Ind AS 116)(-) last mile delivery costs (-) warehouses expenses (including actual rent paid prior to any accounting adjustment for Ind AS 116)(-) middle mile transportation costs (-) customer acquisition subsidies (-) wastage losses (-) customer refund cost (-) packaging cost (-) payment gateway charges (-) support cost (-) delivery partner recruitment and onboarding cost (-) cash on delivery handling (-) other miscellaneous costs
Monthly transacting customers	Defined as the number of unique transacting customers identified by the customers' mobile number that have placed at least one Order in that month
Average GOV per day, per dark store	Calculated as a simple average of total GOV transacted on a particular day divided by total number of dark stores operational for the day, for that period

## Going-out

Term	Description
Gross order value (GOV)	Defined as total monetary value of transactions across our Dining-out and Zomato Live platforms gross of discounts (+) convenience fee paid by the customer (+) taxes (as applicable)
Revenue	Defined as commission charged from restaurant partners on dining-out bills paid through the Zomato app in India and UAE (+) subscription revenue for Zomato Gold UAE for access to dining-out offers in UAE (+) ad revenue (+) convenience fee collected from customers (+) take-rate earned from third-party event organizers on sale of tickets through Zomato platform in India (+) ticket sale collections for events managed by Zomato (e.g., Zomaland)(+) sponsorship revenue relating to Zomato live events (+) rentals and commission charged on sale of food & other products from restaurants / merchants participating in Zomato managed live events (+) other income
Adjusted Revenue	Same as Revenue



# Annexure D - Statement of consolidated profit and loss account

(INR crores)

S. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	3,288	2,848	1,948	8,552	5,023	7,079
II	Other income	219	212	173	612	511	682
III	<b>Total income (I+II)</b>	<b>3,507</b>	<b>3,060</b>	<b>2,121</b>	<b>9,164</b>	<b>5,534</b>	<b>7,761</b>
IV	<b>Expenses</b>						
	Purchase of stock-in-trade	783	685	393	2,025	1,001	1,438
	Changes in inventories of stock-in-trade	(1)	(11)	(3)	(7)	(45)	(43)
	Employee benefits expense	423	417	395	1,178	1,125	1,465
	Finance costs	18	16	16	52	33	49
	Depreciation and amortisation expenses	128	128	155	386	303	437
	Other expenses						
	Advertisement and sales promotion	374	355	348	1,043	925	1,227
	Delivery and related charges	1,068	919	655	2,797	1,818	2,537
	Others	590	530	526	1,560	1,184	1,665
	<b>Total expenses</b>	<b>3,383</b>	<b>3,039</b>	<b>2,485</b>	<b>9,034</b>	<b>6,344</b>	<b>8,775</b>
V	<b>Profit/ (loss) before share of profit / (loss) of an associate, exceptional items and tax (III-IV)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,014)</b>
VI	Share of profit / (loss) of an associate and joint venture	-	-	-	-	(0)	(1)
VII	<b>Profit/ (loss) before exceptional items and tax (V+VI)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,015)</b>
VIII	Exceptional items (refer note 3)	-	-	-	-	-	0
IX	<b>Profit/ (loss) before tax (VII+VIII)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,015)</b>
X	<b>Tax expense:</b>						
	Current tax	0	1	0	1	0	0
	Deferred tax	(14)	(16)	(17)	(47)	(27)	(44)
XI	<b>Profit / (loss) for the period / year (IX-X)</b>	<b>138</b>	<b>36</b>	<b>(347)</b>	<b>176</b>	<b>(783)</b>	<b>(971)</b>
XII	<b>Other comprehensive income / (loss)</b>						
	(i) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	0	5	1	4	2	4
	- Equity instruments through other comprehensive income	11	(15)	-	43	(140)	(111)
	- Income tax relating to above	-	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations	(0)	2	3	0	14	8
	- Debt instruments through other comprehensive income	0	(29)	-	(32)	-	0
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income / (loss) for the period / year</b>	<b>11</b>	<b>(37)</b>	<b>4</b>	<b>15</b>	<b>(124)</b>	<b>(99)</b>
XIII	<b>Total comprehensive income / (loss) for the period / year (XI+XII)</b>	<b>149</b>	<b>(1)</b>	<b>(343)</b>	<b>191</b>	<b>(907)</b>	<b>(1,070)</b>
XIV	<b>Profit / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	138	36	(347)	176	(783)	(971)
	Non-controlling interest	-	-	-	-	(0)	0
XV	<b>Other comprehensive income / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	11	(37)	4	15	(124)	(99)
	Non-controlling interest	(0)	0	(0)	0	(0)	(0)
XVI	<b>Total comprehensive income / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	149	(1)	(343)	191	(907)	(1,070)
	Non-controlling interest	(0)	0	(0)	0	(0)	-
XVII	<b>Paid-up share capital (face value of INR 1 per share)</b>	<b>857</b>	<b>845</b>	<b>836</b>	<b>857</b>	<b>836</b>	<b>836</b>
XVIII	<b>Other equity</b>						<b>18,624</b>
XIX	<b>Earnings / (loss) per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>						
	(a) Basic	0.16	0.04	(0.42)	0.21	(0.98)	(1.20)
	(b) Diluted	0.16	0.04	(0.42)	0.20	(0.98)	(1.20)

<sup>1</sup> EPS is not annualised for the quarter and nine months ended December 31, 2023, quarter ended September 30, 2023 and quarter and nine months ended December 31, 2022.

## Annexure E - Statement of consolidated balance sheet

(INR crores)

Particulars	As at December 31, 2023	As at September 30, 2023	As at March 31, 2023	As at December 31, 2022
	Unaudited	Unaudited	Audited	Unaudited
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	256	218	209	213
Right-of-use assets	526	474	427	417
Capital work-in-progress	5	12	7	15
Goodwill	4,717	4,717	4,717	4,717
Other intangible assets	809	862	991	1,063
Financial assets				
- Investments	9,390	8,227	2,280	3,165
- Other financial assets	567	726	1,894	3,841
Tax assets (net)	201	153	116	118
Other non-current assets	105	98	127	117
<b>Total non-current assets</b>	<b>16,576</b>	<b>15,487</b>	<b>10,768</b>	<b>13,666</b>
<b>Current assets</b>				
Inventories	90	89	83	84
Financial assets				
- Investments	2,206	2,492	4,485	1,412
- Trade receivables	680	563	457	415
- Cash and cash equivalents	259	353	218	580
- Other bank balances	549	778	799	393
- Loans	-	0	0	0
- Other financial assets	2,127	2,040	4,418	4,961
Other current assets	279	306	371	421
<b>Total current assets</b>	<b>6,190</b>	<b>6,621</b>	<b>10,831</b>	<b>8,266</b>
<b>Total assets</b>	<b>22,766</b>	<b>22,108</b>	<b>21,599</b>	<b>21,932</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	857	845	836	836
Other equity	19,169	18,897	18,624	18,703
<b>Equity attributable to equity holders of the parent</b>	<b>20,026</b>	<b>19,742</b>	<b>19,460</b>	<b>19,539</b>
Non-controlling interests	(7)	(6)	(7)	(7)
<b>Total equity</b>	<b>20,019</b>	<b>19,736</b>	<b>19,453</b>	<b>19,532</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
- Borrowings	-	-	6	14
- Lease liabilities	434	390	351	346
- Other financial liabilities	8	5	5	5
Provisions	80	75	94	96
Deferred tax liabilities	203	217	249	266
<b>Total non-current liabilities</b>	<b>725</b>	<b>687</b>	<b>705</b>	<b>727</b>
<b>Current liabilities</b>				
Financial liabilities				
- Borrowings	-	-	35	35
- Lease liabilities	144	131	115	102
- Trade payables				
a. total outstanding dues of micro enterprises and small enterprises	15	11	9	8
b. total outstanding dues of creditors other than micro enterprises and small enterprises	855	777	670	839
- Other financial liabilities	636	449	310	400
Provisions	27	26	26	26
Other current liabilities	345	291	276	263
<b>Total current liabilities</b>	<b>2,022</b>	<b>1,685</b>	<b>1,441</b>	<b>1,673</b>
<b>Total liabilities</b>	<b>2,747</b>	<b>2,372</b>	<b>2,146</b>	<b>2,400</b>
<b>Total equity and liabilities</b>	<b>22,766</b>	<b>22,108</b>	<b>21,599</b>	<b>21,932</b>

# Annexure F - Statement of consolidated cash flows

(INR crores)

Particulars	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A) Cash Flows from operating activities</b>						
Profit / (loss) before tax	124	21	(364)	130	(810)	(1,015)
<b>Adjustments to reconcile profit/ (loss) before tax to net cash flows:</b>						
- Liabilities written back	(1)	(2)	(9)	(4)	(17)	(28)
- Depreciation on property, plant and equipment and right-of-use assets	71	67	61	200	120	181
- Amortization on intangible assets	57	61	94	186	183	256
- Provision for doubtful debts and advances	20	31	6	57	16	30
- Bad debts written-off	-	-	-	-	-	1
- Gain on termination of lease contracts	(1)	(3)	-	(7)	(3)	(8)
- Share-based payment expense	122	132	129	354	422	506
- (Profit)/ loss on sale of property, plant and equipment (net)	-	(1)	(0)	(1)	(0)	(1)
- Net gain on mutual funds	(30)	(24)	(25)	(96)	(53)	(91)
- Share in (profit) / loss of associate	-	-	(0)	-	0	1
- Interest income on government securities	(27)	(31)	(19)	(85)	(53)	(67)
- Interest income on debentures or bonds	(92)	(87)	-	(215)	-	(0)
- Interest income on bank deposits and others	(49)	(56)	(109)	(174)	(359)	(457)
- Amortisation of premium / (discount) on government securities	(12)	(9)	5	(22)	14	14
- Amortisation of premium / (discount) on Bonds	(1)	1	-	1	-	-
- Interest expense	-	-	2	2	3	5
- Gain on disposal of investment	(2)	-	-	(2)	-	(0)
- Interest on lease liabilities	16	16	13	47	27	41
- Interest income on income tax refund	(0)	-	(2)	(0)	(2)	(5)
<b>Operating profit / (loss) before working capital changes</b>	<b>195</b>	<b>116</b>	<b>(218)</b>	<b>371</b>	<b>(512)</b>	<b>(637)</b>
Movements in working capital :						
- Trade receivables	(125)	(86)	(108)	(230)	(155)	(203)
- Other financial assets	(181)	(61)	(249)	(244)	(248)	(198)
- Other assets	15	57	(23)	81	(61)	(4)
- Inventory	(1)	(11)	(3)	(7)	(45)	(43)
- Financial liabilities and other liabilities	238	129	418	403	395	318
- Provisions	7	2	5	(8)	25	25
- Trade payables	82	93	75	189	93	(71)
<b>Cash generated from / (used in) operations</b>	<b>230</b>	<b>239</b>	<b>(103)</b>	<b>555</b>	<b>(508)</b>	<b>(813)</b>
Income taxes refund / (paid) (net)	(48)	(20)	(7)	(85)	(35)	(31)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>182</b>	<b>219</b>	<b>(110)</b>	<b>470</b>	<b>(543)</b>	<b>(844)</b>
<b>B) Cash flows from Investing activities</b>						
Purchase of property, plant and equipment (including capital work-in-progress, capital advances and capital creditors)	(61)	(38)	(36)	(128)	(77)	(103)
Proceeds from sale of property, plant and equipment	1	3	0	9	0	2
Investment in bank deposits (having maturity of more than 3 months)	(158)	(169)	(3,787)	(1,492)	(8,093)	(5,433)
Proceeds from maturity of bank deposits (having maturity of more than 3 months)	678	291	3,871	5,630	9,433	8,721
Proceeds from redemption of mutual fund units	6,723	4,901	1,232	21,703	5,326	12,649
Investment in mutual fund units	(7,139)	(4,993)	(1,145)	(20,059)	(5,032)	(14,443)
Sale of non-current investments	2	-	-	2	-	-
Investment in government securities	(375)	-	-	(1,885)	(523)	(565)
Proceeds from maturity of government securities	735	-	-	785	-	-
Investment in debentures or bonds	(779)	(102)	-	(5,337)	-	(50)
Consideration paid for acquisition of warehousing division of HOTPL	-	-	-	-	(61)	(61)
Loan given	-	-	-	-	(750)	(750)
Loan received back	0	0	-	0	-	-
Interest received	136	37	108	502	243	490
<b>Net cash generated from / (used in) investing activities (B)</b>	<b>(237)</b>	<b>(70)</b>	<b>243</b>	<b>(270)</b>	<b>466</b>	<b>457</b>
<b>C) Cash flows from Financing activities</b>						
Proceeds from issue of equity shares	10	2	-	14	4	4
Repayment of borrowing	-	-	(12)	(40)	(15)	(23)
Share-based payment on cancellation of option	(0)	(0)	(0)	(0)	(0)	(0)
Amount collected by ESOP Trust on exercise of employee stock options (net of tax)	2	6	6	8	7	7
Payment of principal portion of lease liabilities	(34)	(29)	(15)	(91)	(42)	(65)
Payment of interest portion of lease liabilities	(16)	(16)	(15)	(47)	(27)	(41)
Interest paid	-	-	(3)	(2)	(8)	(9)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(38)</b>	<b>(37)</b>	<b>(39)</b>	<b>(158)</b>	<b>(81)</b>	<b>(127)</b>
Net increase in cash and cash equivalents (A+B+C)	(93)	112	94	42	(158)	(514)
Cash and cash equivalents acquired through business combination	-	-	-	-	339	339
Net foreign exchange difference	(1)	1	(1)	(1)	7	1
Cash and cash equivalents as at the beginning of the year/ period	353	240	487	218	392	392
<b>Cash and cash equivalents as at the end of the year/ period</b>	<b>259</b>	<b>353</b>	<b>580</b>	<b>259</b>	<b>580</b>	<b>218</b>

## Use of non-GAAP financial measures

To supplement our financial information presented in accordance with IND AS, we consider certain financial measures that are not prepared in accordance with IND AS, including Adjusted Revenue and Adjusted EBITDA. We use these financial measures in conjunction with IND AS measures as part of our overall assessment of our performance to evaluate the effectiveness of our business strategies and to communicate with our board of directors concerning our business and financial performance. We believe these non-GAAP financial measures provide useful information to investors about our business and financial performance, enhance their overall understanding of our past performance and future prospects, and allow for greater transparency with respect to metrics used by our management in their financial and operational decision making. We are presenting these non-GAAP financial measures to assist our investors and because we believe that these non-GAAP financial measures provide an additional tool for investors to use in comparing results of operations of our business over multiple periods. Information given also includes information related to material subsidiaries.

Non-GAAP measures used by us are defined below:

- Adjusted Revenue = Revenue from operations as per financials (+) actual customer delivery charges in the food delivery business (net of any discounts, including free delivery discounts on account of Zomato Gold program)
- Adjusted EBITDA = EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'
- EBITDA = Profit/loss as per financials excluding (i) tax expense (ii) other income (iii) depreciation and amortization expense (iv) finance cost and (v) exceptional items

These metrics have certain limitations and hence should be considered in addition to, not as substitutes for, or in isolation from, measures prepared in accordance with IND AS.

### Forward looking statements

This document contains certain statements that are or may be forward-looking statements. These statements include descriptions regarding the intent, belief or current expectations of the senior management of Zomato Limited ("Company") subject to board approval, wherever applicable with respect to the results of operations and financial condition of the Company. These statements can be recognised by the use of words such as "expects," "plans," "will," "estimates," "projects," "marks," "believe" or other words of similar meaning. Forward-looking statements generally are not statements of historical fact, including, without limitation statements made about our strategy, estimates of revenue growth, future EBITDA and future financial or operating performance. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties which are difficult to predict and are outside of the control of the Company, and actual results may differ from those in such forward-looking statements as a result of various factors and assumptions which the Company believes to be reasonable in light of its operating experience in recent years. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth and competition, among others. The Company does not undertake any obligation to revise or update any forward-looking statement that may be made from time to time by or on behalf of the Company.

Any investment in securities issued by the Company will also involve certain risks. There may be additional material risks that are currently not considered to be material or of which the Company, its directors, any placement agent, their respective advisers or representatives are unaware. Against the background of these risks, uncertainties and other factors, viewers of this document are cautioned not to place undue reliance on these forward-looking statements. The Company, its directors, any placement agent, their respective advisers or representatives assume no responsibility to update forward-looking statements or to adapt them to future events or developments. Accordingly, any reliance you place on such forward-looking statements will be at your sole risk.

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## **INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF STANDALONE FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF ZOMATO LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ZOMATO LIMITED** ("the Company") for the quarter and nine months ended December 31, 2023 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 6 to the standalone unaudited financial results relating to the show cause notices (SCNs) received by the Company from GST authorities in respect of GST on delivery charges. The Company, supported by the external independent expert's advice, is of the view that, it has a strong case on merits. Given the uncertainty involved, the ultimate outcome will be ascertained on the disposal of the above matter.

Our conclusion is not modified in respect of this matter.

6. We did not review the financial information of one trust included in the Statement whose financial information reflects, revenue of Rs. Nil and Rs. Nil for the quarter and nine months ended December 31, 2023 respectively, total net profit after tax of Rs. 2 crores and Rs. 9 crores for the quarter and nine months ended December 31, 2023 respectively, and total comprehensive income of 2 crores and Rs. 9 crores for the quarter and nine months ended December 31, 2023 respectively, as considered in this Statement. These financial information are unaudited and have been furnished to us by the Management and our conclusion on the standalone financial results in so far as

# **Deloitte Haskins & Sells**

it relates to the amounts included in respect of the trust is based solely on such unaudited financial information. According to the information and explanations given to us by the Management, this financial information is not material to the Company.

Our Conclusion on the Statement is not modified in respect of our reliance on the financial information certified by the Management.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Vikas Khurana**  
(Partner)  
(Membership No. 503760)  
UDIN: 24503760BKFDY4049

Place: Gurugram  
Date: February 08, 2024

Statement of standalone unaudited financial results for the quarter and nine months ended December 31, 2023

(INR crores)

S. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	1,782	1,596	1,191	4,798	3,501	4,707
II	Other income	236	229	225	651	595	800
III	<b>Total income (I+II)</b>	<b>2,018</b>	<b>1,825</b>	<b>1,416</b>	<b>5,449</b>	<b>4,096</b>	<b>5,507</b>
IV	<b>Expenses</b>						
	Purchase of stock-in-trade	4	1	0	5	0	1
	Changes in inventories of stock-in-trade	(1)	(0)	(0)	(1)	(0)	(0)
	Employee benefits expense	251	253	284	706	901	1,117
	Finance costs	5	4	4	14	12	16
	Depreciation and amortisation expenses	19	17	40	54	118	140
	Other expenses						
	Advertisement and sales promotion	317	303	293	903	844	1,094
	Delivery and related charges	803	706	507	2,147	1,599	2,135
	Others	235	226	226	645	687	887
	<b>Total expenses</b>	<b>1,633</b>	<b>1,510</b>	<b>1,354</b>	<b>4,473</b>	<b>4,161</b>	<b>5,390</b>
V	<b>Profit / (loss) before exceptional items and tax (III-IV)</b>	<b>385</b>	<b>315</b>	<b>62</b>	<b>976</b>	<b>(65)</b>	<b>117</b>
VI	Exceptional items	-	-	-	-	-	-
VII	<b>Profit / (loss) before tax (V+VI)</b>	<b>385</b>	<b>315</b>	<b>62</b>	<b>976</b>	<b>(65)</b>	<b>117</b>
VIII	<b>Tax expense:</b>						
	Current tax	1	0	0	1	0	0
	Deferred tax	-	-	-	-	-	-
IX	<b>Profit / (loss) for the period / year (VII-VIII)</b>	<b>384</b>	<b>315</b>	<b>62</b>	<b>975</b>	<b>(65)</b>	<b>117</b>
X	<b>Other comprehensive income / (loss)</b>						
	(i) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	(1)	1	0	(2)	(0)	2
	- Equity instruments through other comprehensive income	11	(15)	-	43	(140)	(111)
	- Income tax relating to above	-	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations	(0)	1	2	1	10	8
	- Debt instruments through other comprehensive income	0	(29)	-	(32)	-	0
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income / (loss) for the period / year</b>	<b>10</b>	<b>(42)</b>	<b>2</b>	<b>10</b>	<b>(130)</b>	<b>(101)</b>
XI	<b>Total comprehensive income / (loss) for the period / year (IX+X)</b>	<b>394</b>	<b>273</b>	<b>64</b>	<b>985</b>	<b>(195)</b>	<b>16</b>
XII	<b>Paid-up share capital (face value of INR 1 per share)</b>	<b>857</b>	<b>845</b>	<b>836</b>	<b>857</b>	<b>836</b>	<b>836</b>
XIII	<b>Other equity</b>						19,970
XIV	<b>Earnings / (loss) per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>						
	(a) Basic	0.45	0.37	0.07	1.15	(0.08)	0.14
	(b) Diluted	0.43	0.35	0.07	1.11	(0.08)	0.13

<sup>1</sup> EPS is not annualised for the quarter and nine months ended December 31, 2023, quarter ended September 30, 2023 and quarter and nine months ended December 31, 2022.



**Zomato Limited**  
**Notes to the standalone unaudited financial results**

- 1 The statement of standalone unaudited financial results for the quarter and nine months ended December 31, 2023 ("Financial Results") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 8, 2024.
- 2 The Financial Results has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
- 3 The Company publishes these financial results along with the consolidated financial results. In accordance with Ind AS 108, 'Operating Segments', the Company has disclosed the segment information in the consolidated financial results.
- 4 During the previous year ended March 31, 2023, the Board of Directors of the Company on June 24, 2022 had approved acquisition of up to 33,018 (thirty three thousand and eighteen) equity shares of Blink Commerce Private Limited ("BCPL") (formerly known as Grofers India Private Limited) for a total purchase consideration of INR 4,448 crores at a price of INR 1,346,986.01 per equity share by issuance and allotment of up to 628,530,012 (six hundred twenty eight million five hundred thirty thousand and twelve) fully paid-up equity shares of the Company having face value of INR 1/- (Indian Rupee One) each at a price of INR 70.76 per equity share which was the price determined in accordance with chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), for a consideration other than cash (for discharge of entire purchase consideration) from the shareholders of BCPL.  
  
On August 10, 2022, Zomato Limited completed the above acquisition by issuing 628,530,012 fully paid-up equity shares of Zomato Limited having face value of INR 1/- (Indian Rupee One). The same was accounted using the share price of Zomato Limited as on the acquisition date of INR 55.45 per equity share which amounted to INR 3,485 crores.  
  
Total investment of INR 3,828 crores includes INR 3,485 crores for which shares were issued as mentioned above and INR 343 crores of fair value of existing ownership interest of 8.96% in BCPL as on date of acquisition.  
  
Additionally, as on August 10, 2022, Zomato Hyperpure Private Limited, material subsidiary of the Company has acquired the warehousing and ancillary services business ("Warehousing division") of Hands on Trades Private Limited ("HOTPL", fellow subsidiary of BCPL until August 9, 2022), for an aggregate consideration of INR 61 crores paid in cash.
- 5 The Company has made long term strategic investments in certain subsidiary companies, which are in their initial/developing stage of operation and would generate growth and returns over a period of time. These subsidiaries have incurred significant expenses for building the brand, market share and operations which have added to the losses of these entities. The parent has committed to provide support to each of its subsidiaries in the event they are unable to meet their individual liabilities.  
Owing to the losses incurred by Zomato Hyperpure Private Limited ("ZHPL"), Blink Commerce Private Limited ("BCPL") (formerly known as Grofers India Private Limited) and Zomato Entertainment Private Limited ("ZEPL") (accumulated losses as of December 31, 2023 being INR 629 crores and INR 43 crores for ZHPL and ZEPL respectively and losses of INR 1,234 crores for BCPL during the period August 10, 2022 to December 31, 2023) ("subsidiary companies"), the Company carried out an impairment assessment basis fair value of the entity determined by a valuer using discounted future cashflows approach as on December 31, 2022 for BCPL, as on August 31, 2023 for ZEPL and as on September 30, 2023 for ZHPL. Based on the review of the performance and future plan of the subsidiary companies, the Company concluded that no impairment is required. The same was noted by the Audit Committee and the Board.
- 6 In December 2023, the Company received Show Cause Notices (SCNs) from the GST authorities requiring the Company to show cause why a tax liability of INR 420 crores along with the interest and penalty for the period from October 29, 2019 to March 31, 2022 should not be demanded and recovered. The alleged amount is calculated on the delivery charges collected by the Company from the end user on behalf of the delivery partners. The Company is in process of responding to the SCNs. The Company, supported by the external independent expert's advice, is of the view that it has a strong case on merits. The Company will continue to monitor developments in this case and address any further proceedings as necessary.

**For and on behalf of the Board of Directors of Zomato Limited**

**Kaushik Dutta**  
**(Chairman and Independent Director)**  
**(DIN-03328890)**

**Date: February 08, 2024**  
**Place: New Delhi**

## **INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONSOLIDATED FINANCIAL RESULTS**

### **TO THE BOARD OF DIRECTORS OF ZOMATO LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ZOMATO LIMITED** ("the Parent / the Company") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax and total comprehensive loss of its associate for the quarter and nine months ended December 31, 2023 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities as mentioned in Annexure 1.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 6 to the consolidated unaudited financial results relating to the show cause notices (SCNs) received by the Company from GST authorities in respect of GST on delivery charges. The Company, supported by the external independent expert's advice, is of the view that, it has a strong case on merits. Given the uncertainty involved, the ultimate outcome will be ascertained on the disposal of the above matter.

Our conclusion is not modified in respect of this matter.

# **Deloitte Haskins & Sells**

7. We did not review the financial results of two subsidiaries, whose financial results reflects, total revenue of Rs. 1,504 crores and Rs. 3,757 crores for the quarter and nine months ended December 31, 2023 respectively, total Profit/(loss) after tax of Rs. (192) crore and Rs. (627) crore for the quarter and nine months ended December 31, 2023 respectively and total comprehensive profit/(loss) of Rs (191) crore and Rs (621) crore for the quarter and nine months ended December 31, 2023 respectively, as considered in the respective standalone unaudited financial results of the entities included in the Group. The financial results of these Subsidiaries have been reviewed by the other auditors whose reports have been furnished to us by the Management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these Subsidiaries, is based solely on the report of other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

8. The consolidated unaudited financial results include the financial information of 26 subsidiaries and 1 trust have not been reviewed by their auditors, whose financial results reflects, total revenues of Rs. 17 crores and Rs. 30 crores for the quarter and nine months ended December 31, 2023 respectively, total profit/ (loss) after tax of Rs. (16) crores and Rs. (27) crores for the quarter and nine months ended December 31, 2023 respectively, and total comprehensive profit/(loss) of Rs. (16) crores and Rs. (27) crores for the quarter and nine months ended December 31, 2023 respectively, as considered in the Statement. The consolidated unaudited financial results also include the Group's share of loss after tax of Rs. Nil and Rs. Nil crores for the quarter and nine months ended December 31, 2023 respectively and total comprehensive loss of Rs. Nil and Rs. Nil crores for the quarter and nine months ended December 31, 2023 respectively, as considered in the Statement, in respect of one associate, based on their financial results which are unaudited. These financial informations are unaudited and have been furnished to us by the Management and our conclusion on the consolidated financial results in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, trusts and associate is based solely on such unaudited financial information. According to the information and explanations given to us by the Management, these financial informations are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the financial information certified by the Management.

**For Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)

**Vikas Khurana**  
(Partner)  
(Membership No. 503760)  
UDIN: 24503760BKFDZ4792

Place: Gurugram  
Date: February 08, 2024

# Deloitte Haskins & Sells

## Annexure 1

S. No.	Name of the Entity	Relationship
1	Zomato Hyperpure Private Limited	Subsidiary
2	Zomato Australia Pty Limited till June 11, 2023	Subsidiary
3	Zomato Middle East FZ-LLC	Subsidiary
4	Tonguestun Food Networks Private Limited	Subsidiary
5	Zomato Media Portugal, Unipessoal, Lda till July 27, 2023	Subsidiary
6	Zomato Philippines Inc.	Subsidiary
7	PT. Zomato Media Indonesia	Subsidiary
8	Zomato Internet Hizmetleri Ticaret Anonim Sirketi	Subsidiary
9	Zomato Internet LLC	Subsidiary
10	Zomato NZ Media Private Limited till June 22, 2023	Subsidiary
11	Zomato Netherlands B.V.	Subsidiary
12	Zomato Entertainment Private Limited	Subsidiary
13	Gastronaucci SP Z.O.O	Subsidiary
14	Zomato Slovakia s.r.o	Subsidiary
15	Lunchtime.Cz s.r.o	Subsidiary
16	Zomato Malaysia SDN BHD	Subsidiary
17	Zomato Chile SpA till September 29, 2023	Subsidiary
18	Zomato Local Services Private Limited	Subsidiary
19	Zomato Vietnam Company Limited	Subsidiary
20	Zomato Media (Private) Limited	Subsidiary
21	Zomato Inc.	Subsidiary
22	Delivery 21 Inc.	Subsidiary
23	Zomato Ireland Limited	Subsidiary
24	Zomato Foods Private Limited	Subsidiary
25	Carthero Technologies Private Limited	Subsidiary
26	Zomato Payment Private Limited	Subsidiary
27	Zomato Financial Services Limited	Subsidiary
28	Blink Commerce Private Limited	Subsidiary
29	Foodie Bay Employees ESOP Trust	Trust
30	ZMT Europe LDA till November 03, 2023	Associate

**Statement of consolidated unaudited financial results for the quarter and nine months ended December 31, 2023**

(INR crores)

S. No.	Particulars	Quarter ended			Nine months ended		Year ended
		December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	3,288	2,848	1,948	8,552	5,023	7,079
II	Other income	219	212	173	612	511	682
III	<b>Total income (I+II)</b>	<b>3,507</b>	<b>3,060</b>	<b>2,121</b>	<b>9,164</b>	<b>5,534</b>	<b>7,761</b>
IV	<b>Expenses</b>						
	Purchase of stock-in-trade	783	685	393	2,025	1,001	1,438
	Changes in inventories of stock-in-trade	(1)	(11)	(3)	(7)	(45)	(43)
	Employee benefits expense	423	417	395	1,178	1,125	1,465
	Finance costs	18	16	16	52	33	49
	Depreciation and amortisation expenses	128	128	155	386	303	437
	Other expenses						
	Advertisement and sales promotion	374	355	348	1,043	925	1,227
	Delivery and related charges	1,068	919	655	2,797	1,818	2,537
	Others	590	530	526	1,560	1,184	1,665
	<b>Total expenses</b>	<b>3,383</b>	<b>3,039</b>	<b>2,485</b>	<b>9,034</b>	<b>6,344</b>	<b>8,775</b>
V	<b>Profit/ (loss) before share of profit / (loss) of an associate, exceptional items and tax (III-IV)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,014)</b>
VI	Share of profit / (loss) of an associate and joint venture	-	-	-	-	(0)	(1)
VII	<b>Profit/ (loss) before exceptional items and tax (V+VI)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,015)</b>
VIII	Exceptional items (refer note 3)	-	-	-	-	-	0
IX	<b>Profit/ (loss) before tax (VII+VIII)</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,015)</b>
X	<b>Tax expense:</b>						
	Current tax	0	1	0	1	0	0
	Deferred tax	(14)	(16)	(17)	(47)	(27)	(44)
XI	<b>Profit / (loss) for the period / year (IX-X)</b>	<b>138</b>	<b>36</b>	<b>(347)</b>	<b>176</b>	<b>(783)</b>	<b>(971)</b>
XII	<b>Other comprehensive income / (loss)</b>						
	(i) Items that will not be reclassified to profit or loss						
	- Remeasurements of the defined benefit plans	0	5	1	4	2	4
	- Equity instruments through other comprehensive income	11	(15)	-	43	(140)	(111)
	- Income tax relating to above	-	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations	(0)	2	3	0	14	8
	- Debt instruments through other comprehensive income	0	(29)	-	(32)	-	0
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income / (loss) for the period / year</b>	<b>11</b>	<b>(37)</b>	<b>4</b>	<b>15</b>	<b>(124)</b>	<b>(99)</b>
XIII	<b>Total comprehensive income / (loss) for the period / year (XI+XII)</b>	<b>149</b>	<b>(1)</b>	<b>(343)</b>	<b>191</b>	<b>(907)</b>	<b>(1,070)</b>
XIV	<b>Profit / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	138	36	(347)	176	(783)	(971)
	Non-controlling interest	-	-	-	-	(0)	0
XV	<b>Other comprehensive income / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	11	(37)	4	15	(124)	(99)
	Non-controlling interest	(0)	0	(0)	0	(0)	(0)
XVI	<b>Total comprehensive income / (loss) for the period / year attributable to:</b>						
	Equity shareholders of the parent	149	(1)	(343)	191	(907)	(1,070)
	Non-controlling interest	(0)	0	(0)	0	(0)	-
XVII	<b>Paid-up share capital (face value of INR 1 per share)</b>	<b>857</b>	<b>845</b>	<b>836</b>	<b>857</b>	<b>836</b>	<b>836</b>
XVIII	<b>Other equity</b>						<b>18,624</b>
XIX	<b>Earnings / (loss) per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>						
	(a) Basic	0.16	0.04	(0.42)	0.21	(0.98)	(1.20)
	(b) Diluted	0.16	0.04	(0.42)	0.20	(0.98)	(1.20)

<sup>1</sup> EPS is not annualised for the quarter and nine months ended December 31, 2023, quarter ended September 30, 2023 and quarter and nine months ended December 31, 2022.

**Zomato Limited**  
**Notes to the consolidated unaudited financial results**

1 The statement of consolidated unaudited financial results of Zomato Limited (“the Company”/“the Parent”) and its subsidiaries (together referred to as “the Group”) for the quarter and nine months ended December 31, 2023 (“Financial Results”) have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on February 08, 2024.

2 The Financial Results has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 “Interim Financial Reporting” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.

3 **Exceptional item includes:**

Particulars	(INR crores)					
	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
Gain on sale/ disposal of investment	-	-	-	-	-	0
<b>Total</b>	-	-	-	-	-	<b>0</b>

4 **Consolidated segment information**

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (“CODM”), in deciding how to allocate resources and assessing performance. The Group’s chief operating decision maker is the Managing Director and Chief Executive Officer of the Company.

The Group’s reporting segments till June 30, 2023 were as follows:

1. India food ordering and delivery
2. Hyperpure supplies (B2B business)
3. Quick commerce
4. All other segments (residual)

Owing to changes in the information provided to the CODM, with effect from July 01, 2023, the Group has identified “Going out” as a new operating and reportable segment, which was earlier presented as a part of “All other segments”. Thus, the segments for the Group are now as follows:

1. India food ordering and delivery
2. Hyperpure supplies (B2B business)
3. Quick commerce
4. Going out
5. All other segments (residual)

India food ordering and delivery comprises of online marketplace platform through which the Group facilitates listing and online ordering of food items and delivery of these food items by connecting end users, restaurant partners and independent delivery partner.

Hyperpure is our farm-to-fork supplies offering for restaurants in India and sale of items to businesses for onward sales.

Quick commerce comprises of online marketplace platform (“Marketplace”) which enables listing of items sold on the Marketplace by the sellers. End users are able to place orders of these listed items on the mobile application which are delivered to their doorsteps within minutes. Quick commerce also includes warehousing and ancillary services provided to the sellers on the Marketplace.

Going-out is a combination of our Dining-out and Zomato Live business verticals; Customers / end users use our dining-out offering to search and discover restaurants, reserve tables, avail offers and make payments while dining-out at restaurants. In our Zomato Live offering, customers can discover and book tickets through our platform for various kinds of entertainment events including our Zomaland event.

The Group has combined and disclosed balancing number in all other segments which are not reportable.

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to any reporting segment have been allocated to respective segments based on the number of orders, number of employees or gross market value as reviewed by CODM.

(a) Summarised segment information is as follows:

Particulars	(INR crores)					
	Quarter ended			Nine months ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Revenue from operations (external customers)</b>						
India food ordering and delivery	1,704	1,546	1,151	4,622	3,361	4,533
Hyperpure supplies (B2B business)	859	745	421	2,221	1,028	1,506
Quick commerce	644	505	301	1,532	443	806
Going Out	73	49	58	165	131	171
All other segments (Residual)	8	3	17	12	60	63
<b>Total</b>	<b>3,288</b>	<b>2,848</b>	<b>1,948</b>	<b>8,552</b>	<b>5,023</b>	<b>7,079</b>
<b>Revenue from operations (inter-segment)</b>						
India food ordering and delivery	8	2	1	13	2	4
Hyperpure supplies (B2B business)	-	-	0	0	0	1
Quick commerce	1	2	-	4	-	3
Going Out	0	-	7	0	7	8
All other segments (Residual)	6	4	2	16	10	12
<b>Total</b>	<b>15</b>	<b>8</b>	<b>10</b>	<b>33</b>	<b>19</b>	<b>28</b>
<b>Segment results</b>						
India food ordering and delivery	258	210	24	654	(86)	(5)
Hyperpure supplies (B2B business)	(27)	(28)	(48)	(84)	(141)	(181)
Quick commerce	(56)	(94)	(205)	(255)	(324)	(503)
Going Out	2	2	(7)	8	(11)	(12)
All other segments (Residual)	(4)	(5)	(1)	(13)	(1)	(4)
<b>Segment results</b>	<b>173</b>	<b>85</b>	<b>(237)</b>	<b>310</b>	<b>(563)</b>	<b>(705)</b>
Add: other income	219	212	173	612	511	682
Less: share based payment expense	122	132	129	354	422	506
Less: finance costs	18	16	16	52	33	49
Less: depreciation and amortization expense	128	128	155	386	303	437
Add: exceptional items	-	-	-	-	-	0
<b>Profit/ (loss) before tax</b>	<b>124</b>	<b>21</b>	<b>(364)</b>	<b>130</b>	<b>(810)</b>	<b>(1,015)</b>

5 During the previous year ended March 31, 2023, the Board of Directors of the Company on June 24, 2022 had approved acquisition of up to 33,018 (thirty three thousand and eighteen) equity shares of Blink Commerce Private Limited ("BCPL") (formerly known as Grofers India Private Limited) for a total purchase consideration of INR 4,448 crores at a price of INR 1,346,986.01 per equity share by issuance and allotment of up to 628,530,012 (six hundred twenty eight million five hundred thirty thousand and twelve) fully paid-up equity shares of the Company having face value of INR 1/- (Indian Rupee One) each at a price of INR 70.76 per equity share which was the price determined in accordance with chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), for a consideration other than cash (for discharge of entire purchase consideration) from the shareholders of BCPL.

On August 10, 2022, Zomato Limited completed the above acquisition by issuing 628,530,012 fully paid-up equity shares of Zomato Limited having face value of INR 1/- (Indian Rupee One) for 91.04% ownership interest. The same was accounted using the share price of Zomato Limited as on the acquisition date of INR 55.45 per equity share which amounted to INR 3,485 crores. Total consideration of INR 3,828 crores includes INR 3,485 crores for which shares were issued as mentioned above and INR 343 crores of fair value of existing ownership interest of 8.96% in BCPL as on date of acquisition.

The purchase price allocation is based on management's estimates and fair values as follows:

Particulars	Amount (INR crores)
Intangible assets <sup>a</sup> :	
Brand	797
Technology	225
Other intangible assets	144
Deferred tax liability	(293)
Cash and bank balances	403
Other net assets / (liability)	(955)
Goodwill	3,507
<b>Total purchase consideration</b>	<b>3,828</b>

<sup>a</sup>Useful lives are estimated to 1 year for customer relationships and 5 years for rest of the intangible assets.

The excess of the purchase consideration paid over the fair value of assets acquired has been attributed to goodwill. The primary items that generated this goodwill are the value of the estimated synergies and entering into quick commerce neither of which qualify as an intangible asset. Goodwill is not tax-deductible.

Additionally, as on August 10, 2022, Zomato Hyperpure Private Limited, material subsidiary of the Company has acquired the warehousing and ancillary services business ("Warehousing division") of Hands on Trades Private Limited ("HOTPL", fellow subsidiary of BCPL until August 9, 2022), for an aggregate consideration of INR 61 crores paid in cash. The purchase price of INR 61 crores is allocated to Net Assets of INR 61 crores and hence no goodwill is recognised.

6 In December 2023, the Company received Show Cause Notices (SCNs) from the GST authorities requiring the Company to show cause why a tax liability of INR 420 crores along with the interest and penalty for the period from October 29, 2019 to March 31, 2022 should not be demanded and recovered. The alleged amount is calculated on the delivery charges collected by the Company from the end user on behalf of the delivery partners. The Company is in process of responding to the SCNs. The Company, supported by the external independent expert's advice, is of the view that it has a strong case on merits. The Company will continue to monitor developments in this case and address any further proceedings as necessary.

7 The above results for the nine months ended December 31, 2022 is not comparable with the nine months ended December 31, 2023 results, due to the facts mentioned in Note 5.

**For and on behalf of the Board of Directors of Zomato Limited**

**Date: February 08, 2024**  
**Place: New Delhi**

**Kaushik Dutta**  
**(Chairman and Independent Director)**  
**(DIN-03328890)**