

Department of Corporate Services,
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001

Listing Department,
National Stock Exchange of India Limited
C-1, G-Block, Bandra - Kurla Complex
Bandra (E), Mumbai – 400 051

Re: Queries raised by some media reports w.r.t the proposed acquisition of Blinkit by Zomato

Dear Sir/Ma'am,

We refer to the email dated August 1, 2022 from SEBI requiring us to submit a response on the stock exchange(s) to some concerns raised in media reports regarding the proposed acquisition of Blink Commerce Private Limited (“Blinkit”) by Zomato. Please find below our responses.

1. Zomato has misrepresented the deal value or consideration paid for the proposed acquisition of Blinkit at ~INR 4,500 crore, whereas in reality the deal value is INR 7,500 crore.

Zomato response

This concern is factually incorrect. The correct way to look at the deal value is as specified in the table below and as referenced in our shareholders’ letter dated 24th June 2022:

	<i>INR crore</i>
Consideration to be paid for ~91% of Blinkit (A)	4,447.5
Consideration to be paid for 100% of HOTPL Identified Business (B)	60.7
Total consideration payable (deal value) C= A + B	4,508.2

In addition to the deal value given above, we will also be assuming the net debt of INR 673.1 crores on the books of proposed acquisition targets as part of the proposed transaction.

Please note that the deal value should include only the consideration paid for the purchase of the proposed acquisition targets and should not include any estimated future investments into the acquisition targets by Zomato.

The incorrect deal value of INR 7,500 crore has been computed as follows in some media reports:

	<i>INR crore</i>
Consideration paid for 91% stake	4,500
Add loan given to Blinkit by Zomato	1,125
Add estimated investment by Zomato post completion of the acquisition (Total estimated investment of US\$ 400 million (INR 3,000 crore) in CY2022 and 2023 less loan from Zomato of INR 1,125 crore = INR 1,875 crore of balance estimated future investment)	1,875
Total deal value as per media articles	7,500

ZOMATO LIMITED

(Formerly known as Zomato Private Limited)

Registered Address: Ground Floor 12A, 94 Meghdoot, Nehru Place, New Delhi - 110019, Delhi, India.

CIN: L93030DL2010PLC198141, **Telephone Number:** 011 - 40592373

2. Ms. Akriti Chopra, a senior leader at Zomato, is the wife of the co-founder of Blinkit, Mr. Albinder Singh Dhindhra and hence this is a related party transaction and this was not disclosed.

Zomato response:

Please note that Akriti is neither a director, or key managerial personnel (KMP) as defined under the Companies Act, 2013 and Listing Regulations nor is she a person in accordance with whose directions or instructions the Board of Directors is accustomed to act. Additionally since the inception of the deal, she was and continues to remain the Chief People Officer of the Company and this transaction had no overlap with her role.

Accordingly, she is not a related party to this transaction, under the definition of related party and KMP in terms of Companies Act, 2013 and/or Listing Regulations, hence there was no requirement for making a disclosure for a 'related party transaction' in this regard. We also took an independent opinion from our legal advisor Saraf & Partners on there being no related party transaction under applicable laws.

Please also refer to question number 16 of our shareholders' letter dated August 1, 2022 for clarification on this topic.

3. Retail investors were not given access to the conference call organised by the management of Zomato for the Blinkit transaction. Only institutional investors were allowed to register for the call

Zomato Response:

Even though we were not required to do a conference call as per law, we voluntarily wanted to address any queries that our shareholders had with regards to the proposed transaction through a conference call. The conference call was open for all shareholders including retail shareholders.

There was a registration process that was required to be completed post which the shareholders would be provided a link to join the call. There were several individuals who joined the call by providing their name and personal email id's and responded with "NA", "retail investor", "individual", "private investor" or such other responses in the "Organization" field on the registration page. Therefore, from our end, there was no restriction on participation of retail shareholders in the conference call – and in fact several retail shareholders attended the conference call.

Kindly take the same on record. The information will also be hosted on the website of the Company i.e. www.zomato.com

Thanking You,

**For Zomato Limited
(formerly known as Zomato Private Limited)**



**Sandhya Sethia
Company Secretary & Compliance Officer
Place: Gurugram
Date: August 2, 2022**

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