

To

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

To

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

**Scrip Code: 543320, Scrip Symbol: ZOMATO**  
**ISIN: INE758T01015**

**Sub: Outcome of the Board Meeting held on November 10, 2022**

Dear Sir/ Ma'am,

Pursuant to Regulations 30 and 33 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), we wish to inform you that the board of directors of Zomato Limited (“**the Board**” and “**the Company**”, respectively) at its meeting held today i.e., November 10, 2022, *inter alia*, has considered, approved and taken on record the un-audited financial results (standalone and consolidated) for the quarter and half year ended September 30, 2022 (“**Financial Results**”). The Financial Results have been subjected to limited review by M/s Deloitte Haskins & Sells, Statutory Auditors of the Company (“**Auditors**”).

We hereby enclose the following:

- Shareholders letter from Mr. Deepinder Goyal, Managing Director & Chief Executive Officer of the Company, and Mr. Akshant Goyal, Chief Financial Officer of the Company;
- Financial Results; and
- Limited review report issued by the Auditors.

The meeting of the Board commenced at 04:07 P.M. and concluded at 05:03 P.M.

The information will also be hosted on the website of the Company i.e. [www.zomato.com](http://www.zomato.com)

Kindly take the above on record.

Thanking You

By Order of the Board

**For Zomato Limited**

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



**Sandhya Sethia**

**Company Secretary & Compliance Officer**

**Place: Gurugram**

**Date: November 10, 2022**



# Q2FY23 Shareholders' Letter and Results

NOVEMBER 10, 2022

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## OUR VISION STATEMENTS

**Better food for more people**

ZOMATO & HYPERPURE

**Instant commerce indistinguishable from magic**

BLINKIT

**Make India malnutrition free**

FEEDING INDIA

# **Q2FY23 (Quarter ending September 30, 2022)**

## **Headline Results**

- Acquisition of Blinkit (quick commerce) closed on August 10, 2022. Hence, this quarter includes ~50 days of Blinkit financials consolidated into our overall financials.
- Total Adjusted Revenue grew 48% year-on-year to INR 21.07 billion (38% year-on-year ex-quick commerce). This translates to annualized revenue of US\$ 1.05 billion (at the average exchange rate for the quarter of 1 US\$ = INR 80). This is the first quarter where we have crossed the billion dollar annualized revenue mark.
- Total Adjusted EBITDA loss reduced to INR 1.92 billion as compared to INR 3.10 billion in Q2FY22. Adjusted EBITDA loss (ex-quick commerce) was INR 0.60 billion for the quarter (compared to INR 1.50 billion in the previous quarter i.e. Q1FY23).
- Blinkit's Gross Order Value ("GOV") grew 26% quarter-on-quarter to INR 14.82 billion while the revenue grew 44% quarter-on-quarter. Adjusted EBITDA loss in quick commerce reduced to INR 2.59 billion from INR 3.26 billion in the previous quarter (Q1FY23) leading to Adjusted EBITDA (as a % of GOV) of -17.5% in Q2FY23 as compared to -27.8% in Q1FY23.

We have tried to address below the key questions that we expect investors to ask along with a few questions that were asked of us in the recent past.

## **Q1. Given the concerning macro-economic outlook and inflation globally and in India, do you see any impact on consumption driven businesses like Zomato and Blinkit?**

**Deepinder:** While our food delivery business has been growing and steadily moving towards profitability, I believe there is room for the business to grow much faster than what it is currently trending at. I don't know if I can attribute this to the macro environment – primarily because I know for a fact that we could have innovated and executed better in the last couple of months. The restaurant and food delivery industry in India is still nascent and we need to relentlessly execute to tap into the large opportunity. I don't want "macro headwinds" to be an excuse for us to innovate less.

As far as quick commerce is concerned, we haven't seen any/much slowdown in the business. But that could be the low base effect, in addition to relatively low penetration due to the early stage nature of that business.

We have a great team with the potential to execute 100x better and I believe doing that will lead to even more growth across all our businesses.

## **Q2. When you say "execute better", what do you mean?**

**Deepinder:** In a people-dependent business like ours, I believe a high bar on culture is the strongest moat. In my view, that is what has led to whatever success we have had so far as a team.

"Executing better" is, quite simply, (and borrowing from Bezos), propagating a culture of higher standards in the company, starting with myself, and then everyone else in the company.

There are a number of areas where we should improve – we should do more with less, ship higher quality products faster, listen to our customers better and engage with our restaurant partners and delivery partners for feedback more often. We should take more multiplier risks and challenge existing paradigms.

We should empower our team members who have more "fire in their belly", and let go of people who don't. A culture of high standards is an endless list of things. But the starting point of that culture is "being present" – not just physically, but intellectually.

I don't care about how well we are doing compared to the rest of the world. I know that we are nowhere close to our potential. And that's what matters.

## **Q3. What should shareholders be worried about w.r.t. Zomato?**

**Deepinder:** As a shareholder, I would get worried if we are unable to execute well, and unable to deliver both growth and profitability simultaneously. At our end, we are determined to do a great job in all aspects of building a great business. Will we make mistakes? Yes. But I believe it is okay to make mistakes – it is just unacceptable to not learn from them. We are building for the long term, and we are going to continue evaluating and taking bets which may compromise short term expectations for the long term.

We are thankful to all our stakeholders (including investors) for all the honest feedback, suggestions and complaints, and for keeping us accountable. We look forward to continuing to respond better to everyone's feedback, and create value for everyone along the way.

#### **Q4. Are you happy with the Blinkit acquisition? How has the team integration been?**

**Deepinder:** So far, I am very happy with the Blinkit acquisition. As we see this business more closely, our level of excitement has only increased. Our hypothesis seems to be playing out on both strong customer adoption as well as the core economic model. I am (nervously) excited about where we are headed in this business.

The team integration was quick and turned out great (not saying it was easy). I am confident that the majority of Zomato/Blinkit employees (internally, 'Eternal' employees), feel like one team nowadays. There were a number of people who didn't like the transition, and decided to leave, but we are past all the pain, and now have a stable team at Blinkit which is executing very well to produce outcomes that would surprise the best of us.

I know that most investors currently ascribe zero value to the Blinkit business, and that's understandable. But I am confident this will change in due course of time.

#### **Q5. What is the plan on capital allocation? Are you planning to make any new minority investments?**

**Akshant:** No, there are no plans to make any new minority investments, nor has there been any change in our capital allocation plans since the last quarter. We have our plates full with three potentially large businesses – food delivery, Hyperpure, and quick commerce.

We have been on the look-out for new and potentially large growth ideas for the long term growth of our business – e.g. Intercity Legends (intercity food delivery), and Zomato Instant (food delivery in 10-15 minutes); but these are innovations within the "food delivery" business, and are relatively low investment initiatives. Any capital used by these two initiatives will be well within our overall capital allocation plan for the food delivery business.

#### **Q6. Alright, moving to the business, how was Zomato's performance in Q2FY23?**

**Akshant:** The transaction with Blinkit closed on August 10, 2022 and hence the financials for Blinkit have been consolidated from that date.

Our **Adjusted Revenue** grew by 16% quarter-over-quarter ("QoQ") and 48% year-over-year ("YoY") to INR 21.07 billion in Q2FY23. **Adjusted Revenue ex-quick commerce** grew by 9% QoQ and 38% YoY to INR 19.65 billion in Q2FY23.

**Adjusted EBITDA loss** increased to INR 1.92 billion (-9% of Adjusted Revenue) in Q2FY23 as compared to INR 1.50 billion (-8% of Adjusted Revenue) in Q1FY23. The increase in loss was on account of consolidation of quick commerce losses. **Adjusted EBITDA loss ex-quick commerce** reduced to INR 0.60 billion (-3% of Adjusted Revenue) in Q2FY23 as compared to INR 1.50 billion (-8% of Adjusted Revenue) in Q1FY23.

The table below gives the quarterly break-up of Adjusted Revenue and Adjusted EBITDA into our (now) four main business segments.

Please note that in the past, we have reported “Unallocated Costs” as a separate cost head not attributable to any of the business segments. These costs included server and tech infrastructure costs, corporate salary costs and other corporate overheads. Based on feedback received from a number of shareholders, from Q2FY23 onwards we have allocated these costs to different business segments (basis logical assumptions) and have also reflected this change in the numbers for the past 4 quarters. As a result of this exercise, ~86% of the unallocated costs in Q2FY23 have been allocated to the food delivery segment.

### Adjusted Revenue

INR billion, unless otherwise mentioned	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Food delivery	12.48	12.00	12.84	14.70	15.81
Hyperpure (B2B supplies)	1.12	1.57	1.94	2.73	3.34
Quick commerce <sup>(1)</sup>	-	-	-	-	1.42
Others	0.61	0.66	0.61	0.67	0.49
<b>Total Adjusted Revenue</b>	<b>14.21</b>	<b>14.22</b>	<b>15.39</b>	<b>18.10</b>	<b>21.07</b>
YoY % change	145%	78%	67%	56%	48%
<b>Total Adjusted Revenue (ex-quick commerce)</b>	<b>14.21</b>	<b>14.22</b>	<b>15.39</b>	<b>18.10</b>	<b>19.65</b>
YoY % change	145%	78%	67%	56%	38%

### Adjusted EBITDA<sup>(2)</sup>

INR billion, unless otherwise mentioned	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Food delivery	-2.29	-2.21	-1.89	-1.13	0.02
Hyperpure (B2B supplies)	-0.30	-0.41	-0.44	-0.44	-0.53
Quick commerce <sup>(1)</sup>	-	-	-	-	-1.32
Others	-0.51	-0.10	0.08	0.06	-0.09
<b>Total Adjusted EBITDA</b>	<b>-3.10</b>	<b>-2.72</b>	<b>-2.25</b>	<b>-1.50</b>	<b>-1.92</b>
as a % of Adjusted Revenue	-22%	-19%	-15%	-8%	-9%
<b>Total Adjusted EBITDA (ex-quick commerce)</b>	<b>-3.10</b>	<b>-2.72</b>	<b>-2.25</b>	<b>-1.50</b>	<b>-0.60</b>
as a % of Adjusted Revenue (ex-quick commerce)	-22%	-19%	-15%	-8%	-3%

- 1) Quick commerce includes Blinkit data from August 10, 2022 onwards i.e., the date on which acquisition of Blinkit closed.
- 2) In the past, Adjusted EBITDA did not include the rental expenses on certain leases that are required to be capitalized as per Indian Accounting Standard 116 (Ind AS 116). From Q2FY23 onwards, we would include the actual rent paid for the period under such leases in the Adjusted EBITDA computation to more appropriately reflect our cash loss/profit. We have not reflected this change in the earlier quarter numbers to avoid confusion. For further information, the rental expenses paid for Q1FY23 were INR 0.06 billion and in Q2FY23 were INR 0.17 billion (of which only INR 0.05 billion is for the non-quick commerce business). Hence for a like to like comparison, the Adjusted EBITDA loss (ex-quick commerce) in Q2FY23 would be INR 0.60 billion minus INR 0.05 billion which is equal to INR 0.55 billion, as compared to INR 1.50 billion Adjusted EBITDA loss in Q1FY23. This updated definition of Adjusted EBITDA is also reflected in Annexure C.
- 3) We have converted millions into two decimal billions and hence there could be some totalling anomalies in the numbers displayed above.

## Q7. The core Zomato businesses (ex-quick commerce) seem to have made good progress in reducing losses over the past 3 quarters. Should we expect continued reduction in losses going forward?

**Akshant:** Yes, the Adjusted EBITDA losses for Zomato (ex-quick commerce) are now down to INR 0.60 billion as compared to INR 3.10 billion in the same quarter last year (Q2FY22). At these levels, given our treasury income, Zomato (ex-quick commerce) losses have not impacted our cash balance adversely, which has broadly remained unchanged vis-à-vis Q1FY23.

In fact, if we add the cash on Blinkit's balance sheet (INR 1.6 billion), consolidated cash balance has increased to INR 115 billion as on September 30, 2022 from INR 114 billion on June 30, 2022.

We expect the Adjusted EBITDA loss (ex-quick commerce) to come down further and eventually get to break-even in the next 2 to 4 quarters, as we mentioned on our last earnings conference call.

## Q8. Double clicking on the food delivery business first, can you share some more color on the performance in the last quarter?

**Akshant:** Below is a snapshot of the key financial metrics of the food delivery business –

### Food delivery

INR billion, unless otherwise mentioned	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
GOV	54.07	54.99	58.53	64.25	66.31
Contribution as a % of GOV	1.2%	1.1%	1.7%	2.8%	4.5%
Adjusted EBITDA as a % of GOV	-4.2%	-4.0%	-3.2%	-1.8%	0.0%

Note: Please refer to the updated definition of Adjusted EBITDA in Annexure C.

The GOV growth was 3% QoQ (23% YoY) driven by growth in both order volumes and average order value. Growth in revenue per order led to a higher Adjusted Revenue (for food delivery) growth of 8% QoQ (27% YoY).

On the profitability front, Contribution margin (as a % of GOV) improved meaningfully from 2.8% in Q1FY23 to 4.5% in Q2FY23. As a result, the food delivery Adjusted EBITDA hit break-even in Q2FY23.

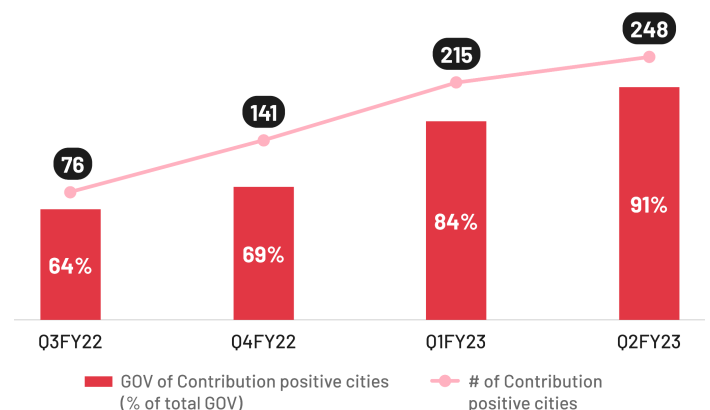
## Q9. What drove the reasonably large increase in contribution margins for food delivery? Is this sustainable?

**Akshant:** The increase in contribution margin is driven by improvements on both cost and revenue side. This has been the result of scale, and heightened focus on profitability over the last few quarters. In our view, none of these improvements in contribution margin are temporary in nature.

## Q10. Was the increase in contribution margins largely driven by the top 8 cities?

**Akshant:** The improvement in contribution margins was quite broad-based across our various categories of cities beyond the top 8 as well. We are seeing more and more cities becoming contribution positive with time.

In Q2FY23, 248 cities out of our 1,000+ cities were contribution positive. These 248 cities contributed ~91% of our overall GOV in Q2FY23.



## Q11. Do you expect the pace of improvement in contribution margin to continue?

**Akshant:** Internally, we have moved the goal post from contribution to EBITDA. Over the medium term, our ambition lies in getting food delivery Adjusted EBITDA to ~4-5% of our GOV. Based on our current growth projections, that could happen with contribution margin as a % of GOV of ~8%.

We have demonstrated rapid increase in contribution margin from 1.1% to 4.5% in the last three quarters, and I would say that we have pocketed a large portion of the low hanging gains for now. We expect the pace of progress to slow down from here.

**Deepinder:** Having said that, we *think* that pushing the Adjusted EBITDA as a % of GOV beyond ~4-5% will counter-intuitively hurt the growth of our absolute profits. Why? We think that redistributing any further gains back to the restaurant industry (in the form of reduced commissions leading to higher growth of the restaurant base), to our delivery partners (in the form of higher payouts leading to lower churn), and to our customers (in the form of reduced delivery charges leading to faster habit formation), *might* result in better ROI on the surplus cash (beyond ~4-5% of GOV) that the business generates. Absolute profit (in INR) growth from thereon would come from growth in GOV rather than margin expansion.

## Q12. Is the focus on profitability impacting growth in food delivery?

**Deepinder:** Yes and no. We have strategically chosen to trade low quality growth for better unit economics. That's part of our long term strategy to build a high quality, high growth business. At the same time, we are not shying away from investing behind high quality compounding growth. We also continue to invest in long term capability building, as well as market expansion initiatives like Hyperpure, Zomato Instant, and Intercity Legends, etc.

## Q13. How much did the food delivery monthly transacting customers grow in the last quarter?

**Akshant:** Average monthly transacting customers grew 4.4% QoQ to 17.5 million in Q2FY23 as compared to 16.7 million in Q1FY23. Below is a snapshot of the key operating metrics of our food delivery business –

Key operating metrics	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Average monthly transacting customers (million)	15.5	15.3	15.7	16.7	17.5
Average monthly active food delivery restaurant partners ('000)	173	191	205	208	207
Average monthly active delivery partners ('000)	301	296	316	319	341

## Q14. Will you be able to sustain growth in monthly transacting customers going forward?

**Akshant:** Yes, growth in monthly transacting customers will be driven by both higher repeat rate of our existing customer base as well as new customer additions.

As customers mature on our platform, we have seen that their ordering frequency increases consistently with each passing year. This is also evident in our GOV cohorts across years. The chart below reflects the indexed growth in annual GOV by customer cohort, with each cohort representing customers who placed their first order on our platform in a given fiscal year. For example, the cohort for FY18, which includes all customers who placed their first order on our platform in FY18, has collectively increased their spend on our platform 4.3 times over the past four years.



<b>GOV retention by cohorts</b>	<b>Y1</b>	<b>Y2</b>	<b>Y3</b>	<b>Y4</b>	<b>Y5</b>	<b>Y6</b>
Fiscal 2017	1.0x	1.6x	2.2x	3.0x	2.9x	5.1x
Fiscal 2018	1.0x	2.0x	2.7x	2.4x	4.3x	
Fiscal 2019	1.0x	1.6x	1.1x	2.0x		
Fiscal 2020	1.0x	0.7x	1.3x			
Fiscal 2021	1.0x	1.9x				

Note: Food delivery GOV retention cohorts were adversely impacted in fiscal 2021 due to Covid-19 pandemic.

If we extrapolate this consistent historical trend, this alone could account for a large part of our future growth in monthly transacting customers. On top of this, our annual transacting customer base will also continue to grow as we have been able to maintain our pace of new customer additions every month.

### **Q15. Moving on to Hyperpure, that business continues to grow rapidly. Can you give us an update on the latest in that business?**

**Akshant:** Hyperpure revenue grew 23% QoQ (199% YoY) to INR 3.34 billion in Q2FY23. Adjusted EBITDA losses increased to INR 0.53 billion as compared to INR 0.44 billion in Q1FY23 while Adjusted EBITDA margin stayed flat at -16% in Q2FY23 vis-a-vis Q1FY23. Below is a snapshot of the key financial metrics of Hyperpure –

#### **Hyperpure (B2B supplies)**

<i>INR billion, unless otherwise mentioned</i>	<b>Q2FY22</b>	<b>Q3FY22</b>	<b>Q4FY22</b>	<b>Q1FY23</b>	<b>Q2FY23</b>
Revenue	1.12	1.57	1.94	2.73	3.34
YoY % change	205%	174%	160%	263%	199%
Adjusted EBITDA	-0.30	-0.41	-0.44	-0.44	-0.53
as a % of Adjusted Revenue	-27%	-26%	-23%	-16%	-16%

Note: Please refer to the updated definition of Adjusted EBITDA in Annexure C.

**Deepinder:** Quick commerce is turning out to be another opportunity for Hyperpure. It has begun supplying to the sellers on Blinkit's marketplace post our acquisition of Blinkit. This has the potential to further accelerate revenue growth for Hyperpure going forward. It is a bit early though to talk about how the product mix and margins will shape up in this business.

### **Q16. Before we move to Blinkit, I wanted to ask about the current plan on dining-out. 'Others' segment in your disclosure seems to have become loss making this quarter.**

**Deepinder:** A large part of our 'Others' segment includes revenue and profit/loss from our dining-out business in India and UAE. Over the past few quarters, especially in the last quarter, the revenue from dining-out has fallen substantially. This has happened because we have discontinued our efforts to monetize dining-out (ad sales, sale of Zomato Pro memberships) as we undertake a full product revamp to make it even more relevant and attractive for our customers and restaurant partners. As we do that, we expect the losses to further expand in this segment in the near term. At this stage, we believe that it will be a couple of quarters before we get back to some scale and profitability in this business.

## Q17. Can you elaborate on what is different about the new dining-out product?

**Deepinder:** Couple of things – 1) the new interface caters more to the kind of content customers consume these days which is short form reels/videos, 2) we want our customers to pay at most restaurants using the Zomato app to “close the loop”, thereby making the ROI of a restaurant’s ad spend with Zomato more tangible.

The new experience is already live in 12 cities in India and UAE. The feedback so far is good (not great – iterations still required), and we expect to scale this rapidly and make it the go-to dining-out platform for our restaurant partners and customers.

## Q18. Can you give us an update on Blinkit’s business performance in Q2FY23?

**Akshant:** Below are the key financial and operating metrics for Blinkit for Q2FY23 along with a comparison with the previous quarter (Q1FY23).

*Please note that the below numbers for Q2FY23 are for the full quarter and hence do not tie up with the segmental financials presented above which consolidate Blinkit’s numbers only from August 10, 2022 onwards i.e., the date on which acquisition of Blinkit closed.*

Key operating metrics	Units	Q1FY23	Q2FY23
Orders	million	22.2	26.1
Average order value (AOV)	INR	528	568
Average monthly transacting customers	million	2.2	2.6
Average GOV per day, per dark store	INR '000	309	422

Key financial metrics	Units	Q1FY23	Q2FY23
GOV	INR billion	11.72	14.82
Revenue	INR billion	1.64	2.36
Contribution	INR billion	-2.03	-1.08
Adjusted EBITDA	INR billion	-3.26	-2.59
Contribution margin (as a % of GOV)	%	-17.3%	-7.3%
Adjusted EBITDA (as a % of GOV)	%	-27.8%	-17.5%

Note:

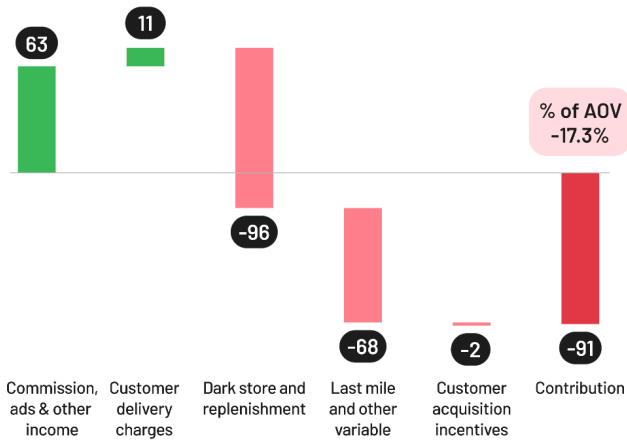
- 1) The numbers shown above are unaudited, MIS based numbers as received from Blinkit. Consolidation of Blinkit numbers in books of Zomato Limited is only from August 10, 2022 as mentioned earlier.
- 2) Refer to Annexure D for definitions relating to the Blinkit business.

## Q19. What is driving improvement in contribution margin and Adjusted EBITDA losses at Blinkit?

**Albinder:** Below is the break-up of contribution per order and as you can see the progress has been across all the levers (and not just any one).

## Q1FY23 (INR/order)

AOV: INR 528



## Q2FY23 (INR/order)

AOV: INR 568



Note: Refer to the definition of Contribution in Annexure D.

Growth is the biggest lever driving improvement in profitability. Higher throughput leads to growth in revenue per order as well as lower cost, given the high operating leverage in this business.

## Q20. Is there any dark store which has hit contribution break-even so far?

**Albinder:** Yes, stores representing ~10% of our total GOV were contribution break-even in the month of September 2022 and many more are close to contribution break-even. In fact, for a few days in October (around the festival of Diwali), we were nearly contribution break-even at a company level.

Sustained and focused execution will lead the overall quick commerce business to steady state profits.

## Q21. What is different about these stores vs others which has made them operate at break-even? Is it just a function of time?

**Albinder:** Yes, it is a function of GOV throughput from the store, which builds up over time. We have also observed three key additional factors impacting the time to store profitability –

- 1. Presence of an existing Blinkit (erstwhile Grofers) customer base in these localities.** This gave some of these stores a rapid path to scale up GOV as new customer acquisition wasn't a requirement to build up revenue.
- 2. Experienced local teams leading to operations scale-up effectively and efficiently.** Wherever we have strong local partners and operations teams that are diligently able to effectively hire and manage ground operations, we see the path to profitability is much faster and smoother.
- 3. Achieving 'product mix' market fit in the first go.** We observed that the initial product mix made available in these profitable stores was the right one for the localities served by these stores. While we are seeing the product mix evolve and get better in other localities over time, the profitable stores saw the first version of product mix being extremely relevant to the customers, and therefore led to faster GOV growth, and hence profitability.

## Q22. Who bears the risk of unsold or expired inventory in your business?

**Albinder:** Third party sellers, who are interested in selling their products on Blinkit's marketplace, own the inventory of these products and stock this inventory in a network of warehouses and dark stores operated by Blinkit. Hence, any losses related to unsold or expired inventory are borne by the sellers themselves. Blinkit is a marketplace and does not own any inventory.

Having said that, any sustained losses incurred by the sellers due to unsold or expired inventory would eventually impact our ability to negotiate commissions chargeable by Blinkit in the long term. Hence, through Blinkit's tech and data platforms we strive to provide good visibility and insights on customer behavior to the sellers and help them plan product assortment and inventory cycles better.

### **Q23. Last time you had mentioned that almost half of your dark stores are run by franchisee partners. What is the rationale here?**

**Albinder:** Yes, we collaborate with local franchisee partners to scale-up and manage our dark store network. We want to encourage a vibrant seller and partner ecosystem so we can provide more choice and higher quality to customers.

These local partners offer a host of benefits including knowledge of local customer preferences, ready access to real estate, supervision and control over dark store operations, among others. In an operationally complex business like ours, this support is invaluable.

Franchisee partners are typically local retailers or small businesses with access to 2,000 to 3,000 sq.ft. of commercial real estate space and about INR 2-3 million of capital to invest in some basic capex (racks, etc.) in the dark store. The franchisee partner is also responsible for the day to day running of the dark store including expenses related to rent, utilities and staff. In lieu of this, the partner receives a percentage share of the platform sales generated by sellers at the dark store, along with some monthly guaranteed payouts.

We continue to invest behind this as we believe that local marketplaces like ours should generate earning opportunities for thousands of small business entrepreneurs over time.

**Akshant:** At Blinkit, we also support several fledgling brands that are able to market themselves directly to customers on our platform and compete more effectively with much larger brands. In addition to helping us scale our dark store network faster, these partnerships with local franchisee partners and small brands also help us make our business more inclusive.

### **Q24. How are the economics different for Blinkit in the franchisee model?**

**Albinder:** So far the economics are not meaningfully different compared to running our own dark stores.

### **Q25. How is the Blinkit integration going with Zomato? Can you share the broad plans here?**

**Albinder:** As part of the integration process we are prioritizing areas that will accelerate growth for Blinkit. To start with, in order to leverage the large Zomato customer base, we have rolled out a Grocery tab on the Zomato app in all cities where Blinkit is present. This could accelerate new customer acquisition for Blinkit. We have also started looking at demand heat maps on Zomato's platform to identify high potential neighborhoods to launch new dark stores in.

On the supply chain front, Hyperpure has built high quality temperature-controlled warehousing infrastructure for fruits, vegetables and other perishable items (meat, dairy etc.). We have started leveraging this infrastructure for Blinkit's requirements.

We have also started experimenting on the delivery fleet integration with Zomato in select locations, but we expect a full-blown integration to be more relevant in the medium term once Blinkit has the right scale to meaningfully impact last mile delivery cost.

## **Q26. There seems to be a fair bit of competition in the quick commerce space. How is Blinkit doing vis-à-vis competition?**

**Albinder:** Yes, there is competition but the market is also quite large with very low penetration of organized and especially online commerce. Hence, having multiple players will only drive more innovation and growth. Currently, various players operate different business models and address different customer needs and preferences. We think that there is a large enough target audience for each of these models to co-exist and scale.

At Blinkit, our organizational focus is squarely on happy and satisfied customers. We believe (and also see evidence in data) that providing great customer experience leads to more growth for us, and we do that by focusing on two things mainly – assortment and convenience.

Assortment of products on our platform extends beyond grocery to include beauty & personal care, electronic accessories, OTC medicines, stationery, toys, topical festive needs, among others, for us to be able to address as many use cases for customers as we can. We also obsess over delighting our customers with quick delivery of products within minutes, reliably. Our data tells us that higher customer engagement in quick commerce is not so much driven by subsidies (as may be the perception), but by the convenience and great customer experience that we offer.

We believe that our strength around assortment and convenience, in addition to being a strong competitive moat, will also drive better economics for us in the long run.

## **Q27. Quick update on the ESG front?**

**Deepinder:** Yes, in fact we do have some noteworthy updates.

To start with, by the end of Q2FY23, we have already completed recycling 65% of our voluntary target for FY23 i.e. 13,000 MT of plastic waste of the planned total 20,000 MT under our 100% Plastic-neutral deliveries initiative.

We are also progressing well on our efforts to electrify our last-mile delivery operations. We have signed 7 partnership agreements with leasing, swapping and charging players to progress on our commitment to achieve 100% EV-based deliveries by 2030. We had also purchased 500k credits from the voluntary carbon credits market in FY22, which we will be using to offset our carbon footprint.

For our delivery partners, we successfully increased insurance claims disbursements by 5.5X in FY22 vis-à-vis FY21 through a combination of multi-lingual awareness campaigns and better visibility on the delivery partner app. Our current insurance program includes out-patient support, loss of pay support in addition to medical and life insurance. We are also piloting family coverage in select cities for loyal partners.

I am particularly proud of our Blinkit team for the launch of our first 'Silent Store'. This dark store was launched last month in Laxmi Nagar, New Delhi, employing over 20 differently abled (hearing and speech-impaired) workers, in collaboration with NGO and CSR partners – Dr. Reddy's Foundation and

Sarthak Educational Trust. We hope that the store will be a source of learning and inspiration for us and the broader corporate sector on how to build and scale truly inclusive value chains.

And finally, continuing our focus on reducing hunger and malnutrition in India, Zomato Feeding India has been doing some very impactful work. We believe that addressing the problem at scale requires raising awareness about the depth of this problem in India. To this effect, we are introducing the first ever Zomato Feeding India Concert on 10th December, 2022 in Mumbai, bringing together impact makers, philanthropists, influencers and the citizens of India, who can make a big difference in supporting the fight against malnutrition.

Also, in collaboration with Unacademy, Zomato Feeding India has launched a national campaign to support children who faced the irreplaceable loss of a parent during the pandemic and have lost nutritional security and access to education as a result.

## **Q28. Anything else you would like to add?**

**Deepinder:** No, that covers most of the pertinent questions. Thank you for your time and patience, we really appreciate it.

—

THE END

## Annexure A - Quarterly disclosures

### Adjusted Revenue

<i>INR billion, unless otherwise mentioned</i>	<b>Q2FY22</b>	<b>Q3FY22</b>	<b>Q4FY22</b>	<b>Q1FY23</b>	<b>Q2FY23</b>
Food delivery	12.48	12.00	12.84	14.70	15.81
Hyperpure (B2B supplies)	1.12	1.57	1.94	2.73	3.34
Quick commerce <sup>(1)</sup>	-	-	-	-	1.42
Others <sup>(2)</sup>	0.61	0.66	0.61	0.67	0.49
<b>Total Adjusted Revenue</b>	<b>14.21</b>	<b>14.22</b>	<b>15.39</b>	<b>18.10</b>	<b>21.07</b>
YoY % change	145%	78%	67%	56%	48%
<b>Total Adjusted Revenue (ex-quick commerce)</b>	<b>14.21</b>	<b>14.22</b>	<b>15.39</b>	<b>18.10</b>	<b>19.65</b>
YoY % change	145%	78%	67%	56%	38%

### Adjusted EBITDA<sup>(3,4)</sup>

<i>INR billion, unless otherwise mentioned</i>	<b>Q2FY22</b>	<b>Q3FY22</b>	<b>Q4FY22</b>	<b>Q1FY23</b>	<b>Q2FY23</b>
Food delivery	-2.29	-2.21	-1.89	-1.13	0.02
Hyperpure (B2B supplies)	-0.30	-0.41	-0.44	-0.44	-0.53
Quick commerce <sup>(1)</sup>	-	-	-	-	-1.32
Others <sup>(2)</sup>	-0.51	-0.10	0.08	0.06	-0.09
<b>Total Adjusted EBITDA</b>	<b>-3.10</b>	<b>-2.72</b>	<b>-2.25</b>	<b>-1.50</b>	<b>-1.92</b>
<i>as a % of Adjusted Revenue</i>	-22%	-19%	-15%	-8%	-9%
<b>Total Adjusted EBITDA (ex-quick commerce)</b>	<b>-3.10</b>	<b>-2.72</b>	<b>-2.25</b>	<b>-1.50</b>	<b>-0.60</b>
<i>as a % of Adjusted Revenue (ex-quick commerce)</i>	-22%	-19%	-15%	-8%	-3%

#### Notes:

- 1) Quick commerce includes Blinkit data from August 10, 2022 onwards, i.e., the date on which acquisition of Blinkit closed.
- 2) 'Others' includes dining-out and membership revenue (Zomato Pro) in India as well as UAE. It also includes revenue from food delivery services we offer to Talabat in UAE which is a pass-through revenue (EBITDA neutral). Few businesses and our international operations in countries other than India and UAE have been discontinued and they have no contribution to Q4FY22, Q1FY23 and Q2FY23 revenue but they do contribute to the previous quarters.
- 3) In the past, we have reported "Unallocated costs" as a separate cost head not attributable to any of the business segments. From Q2FY23 onwards, we would be reporting the numbers in the new format as shown above (we have also reflected this change in the numbers for the past 4 quarters). As a result of this exercise, ~86% of the unallocated costs in Q2FY23 have been allocated to the food delivery segment.
- 4) In the past, Adjusted EBITDA did not include the rental expenses on certain leases that are required to be capitalized as per Indian Accounting Standard 116 (Ind AS 116). From Q2FY23 onwards, we would include the actual rent paid during the period under such leases in the Adjusted EBITDA computation to more appropriately reflect our cash loss/profit. We have not reflected this change in the earlier quarter numbers to avoid confusion. For further information, the rental expenses paid in Q1FY23 were INR 0.06 billion and in Q2FY23 were INR 0.17 billion (of which only INR 0.05 billion is for the non-quick commerce business). Hence for a like to like comparison, the Adjusted EBITDA loss (ex-quick commerce) in Q2FY23 would be INR 0.60 billion minus INR 0.05 billion which is equal to INR 0.55 billion as compared to INR 1.50 billion Adjusted EBITDA loss in Q1FY23. This updated definition of Adjusted EBITDA is also reflected in Annexure C.
- 5) We have converted millions into two decimal billions and hence there could be some totalling anomalies in the numbers displayed above.

## Food delivery

INR billion, unless otherwise mentioned

	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
GOV	54.07	54.99	58.53	64.25	66.31
Adjusted Revenue	12.48	12.00	12.84	14.70	15.81
Contribution as a % of GOV	1.2%	1.1%	1.7%	2.8%	4.5%
Adjusted EBITDA as a % of GOV	-4.2%	-4.0%	-3.2%	-1.8%	0.0%
Average monthly transacting customers (million)	15.5	15.3	15.7	16.7	17.5
Average monthly active food delivery restaurant partners ('000)	173	191	205	208	207
Average monthly active delivery partners ('000)	301	296	316	319	341

## Hyperpure (B2B supplies)

	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Unique restaurants billed ('000)	18	27	34	37	40

## Quick commerce

	Units	Q1FY23	Q2FY23
Orders	million	22.2	26.1
Average order value (AOV)	INR	528	568
Average monthly transacting customers	million	2.2	2.6
Average GOV per day, per dark store	INR '000	309	422
GOV	INR billion	11.72	14.82
Revenue	INR billion	1.64	2.36
Contribution	INR billion	-2.03	-1.08
Adjusted EBITDA	INR billion	-3.26	-2.59
Contribution margin (as a % of GOV)	%	-17.3%	-7.3%
Adjusted EBITDA (as a % of GOV)	%	-27.8%	-17.5%

Note:

- 1) The numbers shown above for Blinkit are unaudited, MIS based numbers as received from Blinkit. However, consolidation of Blinkit numbers in books of Zomato Limited is only from August 10, 2022 as mentioned earlier
- 2) Refer to Annexure D for definitions relating to the Blinkit business



## Annexure B - Adjusted Revenue and Adjusted EBITDA reconciliation

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

### Adjusted Revenue

INR billion, unless otherwise mentioned

Q2FY23

Revenue from operations	16.61
Add: Customer delivery charges	4.46
<b>Adjusted Revenue</b>	<b>21.07</b>

### Adjusted EBITDA

INR billion, unless otherwise mentioned

Q2FY23

Loss for the period	-2.51
Less: Other income	1.70
Add: Depreciation & amortization expense	1.07
Add: Exceptional items	0.00
Add: ESOP expense	1.36
Less: Actual rent paid	0.17
Add: Other expenses	0.02
<b>Adjusted EBITDA</b>	<b>-1.92</b>

Note:

- 1) Quick commerce includes Blinkit data reported from August 10, 2022 onwards (transaction closing date).
- 2) Please refer to the updated definition of Adjusted EBITDA in Annexure C.

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

Term	Description
Adjusted Revenue	Defined as revenue from operations as per financials plus customer delivery charges
Contribution (for Food delivery business)	Defined as commission and other charges + customer delivery charges - delivery cost - discounts - other direct costs (costs associated with marketing, branding, and other fixed operating costs are excluded)
Adjusted EBITDA	Defined as EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'
Food delivery business	Refers to India food ordering and delivery business
Gross order value (GOV)	Total monetary value of Orders including taxes, customer delivery charges, gross of all discounts, excluding tips
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
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
Orders	All food delivery orders placed online on our platform in India, including canceled orders

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

Term	Description
Orders	Defined as all orders placed on the Blinkit marketplace platform in India, including canceled orders
Gross order value (GOV)	Defined as the total monetary value of Orders including 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) and customer delivery charges but excluding tips
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
Revenue	Defined as Blinkit marketplace commission income (+) customer delivery charges (+) ad revenue (+) warehousing and ancillary services income
Contribution	Defined as Revenue (-) dark store operations cost (including rental costs prior to any accounting adjustment for Ind AS 116)(-) last-mile delivery costs (-) replenishment costs (including rental costs prior to any accounting adjustment for Ind AS 116)(-) customer acquisition incentives (-) other variable costs (wastage, customer refunds, packaging charges, payment gateway charges and support cost)
Adjusted EBITDA	Defined as EBITDA (+) share-based payment expense (-) rental paid for the period pertaining to 'Ind AS 116 leases'
Average GOV per day, per dark store	Calculated as a simple average of total GOV transacted per day divided by total number of dark stores operational for the day, for that period

## 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 for the Zomato business are defined below:

- Adjusted Revenue = (Revenue from operations as per financials) + (customer delivery charges)
- 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 recognized 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.

The information contained in this document has not been independently verified. The information in this document is in summary form and does not purport to be complete. No representation, warranty, guarantee or undertaking, express or implied, is or will be made as to, and no reliance should be placed on the accuracy, completeness, correctness or fairness of the information, estimates, projections and opinions contained in this document. Potential investors must make their own assessment of the relevance, accuracy and adequacy of the information contained in this document and must make such independent investigations as they may consider necessary or appropriate for such purposes. Such information and opinions are in all events not current after the date of this document.

Further, past performance of the Company is not necessarily indicative of its future results. Any opinions expressed in this document or the contents of this document are subject to change without notice. This document should not be construed as legal, tax, investment or other advice. Neither the Company or its directors, nor any placement agent or their respective advisers or representatives shall have any responsibility or liability whatsoever (for negligence or otherwise) for any loss howsoever arising from this document or its contents or otherwise arising in connection therewith. The information set out herein may be subject to updating, completion, revision, verification and amendment and such information may change materially. Neither the Company, its directors, any placement agent, nor any of their respective advisers or representatives is under any obligation to update or keep current the information contained herein. This document does not constitute or form part of and should not be construed as, directly or indirectly, any advertisement, offer or invitation or inducement to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company by any person whether by way of private placement or to the public, in any jurisdiction, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any investment decision or any contract or commitment therefor. Investing in securities involves certain risks and potential investors should note that the value of the securities may go down or up. Accordingly, potential investors should obtain and must conduct their own investigation and analysis of the relevant information carefully before investing.

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

**TO THE BOARD OF DIRECTORS OF  
ZOMATO LIMITED (FORMERLY KNOWN AS ZOMATO PRIVATE LIMITED)**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ZOMATO LIMITED** ("the Parent") 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 and joint venture for the quarter and six months ended September 30, 2022 ("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 did not review the financial results of two subsidiaries, in respect of one subsidiary whose financial results reflects total assets of Rs. 6,481 million as at September 30, 2022, total revenue of Rs. 3,993 million and Rs. 6,722 million for the quarter and six months ended September 30, 2022, total loss after tax

of Rs. 389 million and Rs. 856 million for the quarter and six months ended September 30, 2022 and total comprehensive loss of Rs 387 million and Rs 853 million for the quarter and six months ended September 30, 2022 and in respect of one subsidiary whose financial results reflects total assets of Rs. 8,797 million as at September 30, 2022, total revenue of Rs. 774 million for the period August 10, 2022 to September 30, 2022, total loss after tax of Rs. 1,957 million for the period August 10, 2022 to September 30, 2022 and total comprehensive loss of Rs 1,949 million for the period August 10, 2022 to September 30, 2022, as considered in the respective standalone unaudited financial results of the entity 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.

7. The consolidated unaudited financial results include the financial information of 27 subsidiaries and 2 trusts have not been reviewed by their auditors, whose financial results reflects total assets of Rs. 2,157 million, total revenues of Rs. 119 million and Rs. 247 million for the quarter and six months ended September 30, 2022, total profit after tax of Rs. 15 million and Rs. 26 million for the quarter and six months ended September 30, 2022, and total comprehensive profit of Rs. 19 million and Rs. 32 million for the quarter and six months ended September 30, 2022, 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. 3 million for the quarter and six months ended September 30, 2022 and total comprehensive loss of Rs. Nil and Rs. 3 million for the quarter and six months ended September 30, 2022, as considered in the Statement, in respect of one associate and one joint venture, 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, joint venture 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: 22503760BCSJQV3344

*N.A.*

Place: Gurugram

Date: November 10, 2022

**Annexure 1**

<b>S.No.</b>	<b>Name of the Entity</b>	<b>Relationship</b>
1	Zomato Hyperpure Private Limited (formerly known as Zomato Internet Private Limited)	Subsidiary
2	Zomato Australia Pty Limited	Subsidiary
3	Zomato Middle East FZ-LLC	Subsidiary
4	Tonguestun Food Networks Private Limited	Subsidiary
5	Zomato Ireland Limited-Jordan	Subsidiary
6	Zomato Media Portugal, Unipessoal, Lda	Subsidiary
7	Zomato Philippines Inc.	Subsidiary
8	PT. Zomato Media Indonesia	Subsidiary
9	Zomato Internet Hizmetleri Ticaret Anonim Sirketi	Subsidiary
10	Zomato Internet LLC	Subsidiary
11	Zomato NZ Media Private Limited	Subsidiary
12	Zomato Netherlands B.V.	Subsidiary
13	Zomato Media WLL	Joint Venture
14	Zomato Entertainment Private Limited	Subsidiary
15	Gastronauci SP Z.O.O	Subsidiary
16	Zomato Slovakia s.r.o	Subsidiary
17	Lunchtime.Cz s.r.o	Subsidiary
18	Zomato Malaysia SDN BHD	Subsidiary
19	Zomato Chile SpA	Subsidiary
20	Zomato Local Services Private Limited	Subsidiary
21	Zomato Vietnam Company Limited	Subsidiary
22	Zomato Media (Private) Limited	Subsidiary
23	Zomato Inc.	Subsidiary
24	Delivery 21 Inc.	Subsidiary
25	Zomato Ireland Limited	Subsidiary
26	Zomato Foods Private Limited	Subsidiary
27	Carthero Technologies Private Limited	Subsidiary
28	Foodie Bay Employees ESOP Trust	Trust
29	Myfri Benefit Trust till June 9, 2022	Trust
30	ZMT Europe LDA	Associate
31	Zomato Payment Private Limited	Subsidiary
32	Zomato Financial Services Limited	Subsidiary
33	Blink Commerce Private Limited from August 10, 2022 (formerly known as Grofers India Private Limited)	Subsidiary



NA



Statement of unaudited consolidated financial results for the quarter and half-year ended September 30, 2022

INR million

S. No.	Particulars	Quarter ended			Half-year ended		Year ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	16,613	14,139	10,242	30,752	18,686	41,924
II	Other income	1,695	1,681	1,368	3,376	2,090	4,949
III	<b>Total income (I+II)</b>	<b>18,308</b>	<b>15,820</b>	<b>11,610</b>	<b>34,128</b>	<b>20,776</b>	<b>46,873</b>
IV	<b>Expenses</b>						
	Purchase of stock-in-trade	3,470	2,610	1,172	6,080	1,919	5,524
	Changes in inventories of stock-in-trade	(347)	(72)	(68)	(419)	(71)	(278)
	Employee benefits expense	3,813	3,489	4,241	7,302	8,148	16,331
	Finance costs	119	49	31	168	64	120
	Depreciation and amortisation expenses	1,067	416	384	1,483	739	1,503
	Other expenses						
	Advertisement and sales promotion	2,997	2,776	3,880	5,773	6,895	12,168
	Delivery and related charges	5,903	5,724	4,226	11,627	7,193	18,141
	Others	3,891	2,685	2,149	6,576	3,725	8,546
	<b>Total expenses</b>	<b>20,913</b>	<b>17,677</b>	<b>16,015</b>	<b>38,590</b>	<b>28,612</b>	<b>62,055</b>
V	<b>Loss before share of profit / (loss) of an associate, exceptional items and tax (III-IV)</b>	<b>(2,605)</b>	<b>(1,857)</b>	<b>(4,405)</b>	<b>(4,462)</b>	<b>(7,836)</b>	<b>(15,182)</b>
VI	Share of profit / (loss) of an associate and joint venture	(0)	(3)	2	(3)	2	3
VII	<b>Loss before exceptional items and tax (V+VI)</b>	<b>(2,605)</b>	<b>(1,860)</b>	<b>(4,403)</b>	<b>(4,465)</b>	<b>(7,834)</b>	<b>(15,179)</b>
VIII	Exceptional items (refer note 4)	-	-	54	-	(105)	2,974
IX	<b>Loss before tax (VII+VIII)</b>	<b>(2,605)</b>	<b>(1,860)</b>	<b>(4,349)</b>	<b>(4,465)</b>	<b>(7,939)</b>	<b>(12,205)</b>
X	<b>Tax expense:</b>						
	Current tax	1	-	-	1	17	20
	Deferred tax	(98)	-	-	(98)	-	-
XI	<b>Loss for the period/year (IX-X)</b>	<b>(2,508)</b>	<b>(1,860)</b>	<b>(4,349)</b>	<b>(4,368)</b>	<b>(7,956)</b>	<b>(12,225)</b>
XII	<b>Other comprehensive income/ (loss)</b>						
	(i) Items that will not be reclassified to profit or loss						
	- Re-measurement gain / (loss) on defined benefit plans	23	(14)	(49)	9	(92)	(96)
	- Changes in fair value of equity and preference instruments carried at FVTOCI	(591)	(806)	-	(1,397)	-	96
	- Income tax relating to above	-	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations	60	55	1	115	19	22
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income/ (loss) for the period/ year</b>	<b>(508)</b>	<b>(765)</b>	<b>(48)</b>	<b>(1,273)</b>	<b>(73)</b>	<b>22</b>
XIII	<b>Total comprehensive loss for the period/ year (XI+XII)</b>	<b>(3,016)</b>	<b>(2,625)</b>	<b>(4,397)</b>	<b>(5,641)</b>	<b>(8,029)</b>	<b>(12,203)</b>
XIV	<b>Loss for the period/ year attributable to:</b>						
	Equity holders of the parent	(2,508)	(1,857)	(4,296)	(4,365)	(7,858)	(12,087)
	Non-controlling interests	-	(3)	(53)	(3)	(98)	(138)
XV	<b>Other comprehensive income/ (loss) for the period/ year attributable to:</b>						
	Equity holders of the parent	(512)	(764)	(52)	(1,276)	(76)	20
	Non-controlling interests	4	(1)	4	3	3	2
XVI	<b>Total comprehensive income/ (loss) for the period/ year attributable to:</b>						
	Equity holders of the parent	(3,020)	(2,621)	(4,348)	(5,641)	(7,934)	(12,067)
	Non-controlling interests	4	(4)	(49)	-	(95)	(136)
XVII	Paid-up share capital (face value of INR 1 per share)	8,337	7,652	7,565	8,337	7,565	7,643
XVIII	Other equity						157,412
XIX	<b>Loss per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>						
	(a) Basic	(0.31)	(0.24)	(0.59)	(0.56)	(1.15)	(1.67)
	(b) Diluted	(0.31)	(0.24)	(0.59)	(0.56)	(1.15)	(1.67)

<sup>1</sup> EPS is not annualised for the quarter and half-year ended September 30, 2022, quarter ended June 30, 2022 and quarter and half-year ended September 30, 2021.



Zomato Limited (formerly known as Zomato Private Limited)  
Consolidated Balance Sheet

INR million

Particulars	As at	As at
	September 30, 2022	March 31, 2022
	Unaudited	Audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,075	509
Right-of-use assets	4,441	642
Capital work-in-progress	144	6
Goodwill	47,166	12,093
Other intangible assets	11,564	799
Financial assets		
- Investments	31,819	30,860
- Other financial assets	40,243	52,191
Tax assets (net)	1,086	670
Other non-current assets	1,134	50
<b>Total non-current assets</b>	<b>139,672</b>	<b>97,820</b>
<b>Current assets</b>		
Inventories	816	397
Financial assets		
- Investments	14,749	16,317
- Trade receivables	3,025	1,599
- Cash and cash equivalents	4,873	3,923
- Other bank balances	10,757	11,832
- Loans	-	3,750
- Other financial assets	39,021	36,674
Other current assets	4,061	958
<b>Total current assets</b>	<b>77,302</b>	<b>75,450</b>
<b>Total assets</b>	<b>216,974</b>	<b>173,270</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	8,337	7,643
Other equity	189,136	157,412
<b>Equity attributable to equity holders of the parent</b>	<b>197,473</b>	<b>165,055</b>
Non-controlling interests	(66)	(66)
<b>Total equity</b>	<b>197,407</b>	<b>164,989</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
- Borrowings	260	-
- Lease liabilities	3,710	510
Provisions	920	653
Deferred tax liabilities	2,837	-
Other non-current liabilities	-	3
<b>Total non-current liabilities</b>	<b>7,727</b>	<b>1,166</b>
<b>Current liabilities</b>		
Financial liabilities		
- Borrowings	346	-
- Lease liabilities	890	193
- Trade payables		
a. total outstanding dues of micro enterprises and small enterprises	59	67
b. total outstanding dues of creditors other than micro enterprises and small enterprises	7,584	4,221
- Other financial liabilities	470	287
Provisions	257	185
Other current liabilities	2,234	2,162
<b>Total current liabilities</b>	<b>11,840</b>	<b>7,115</b>
<b>Total liabilities</b>	<b>19,567</b>	<b>8,281</b>
<b>Total equity and liabilities</b>	<b>216,974</b>	<b>173,270</b>

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Zomato Limited (formerly known as Zomato Private Limited)  
Unaudited Consolidated Statement of Cash Flows

INR million

Particulars	Half-year ended	
	September 30, 2022	September 30, 2021
	Unaudited	Unaudited
<b>A) Cash flows from operating activities</b>		
Loss before tax	(4,465)	(7,939)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>		
- Liabilities written back	(77)	(39)
- Depreciation on property, plant and equipment and amortization of right-of-use assets	594	194
- Amortization on intangible assets	889	545
- Provision for doubtful debts and advances	99	146
- Loss on account of movements in foreign exchange rate and consumer price index in one of the Company's subsidiary operating in a hyperinflationary economy	-	159
- Gain on termination of lease contracts	(32)	-
- Share-based payment expense	2,937	4,365
- Net gain on mutual funds	(287)	(308)
- Share in (profit) / loss of associate	3	(2)
- Amortisation of premium on Government securities	91	-
- Provision for obsolete stock	-	31
- Interest expense	13	7
- Rent waiver on lease liabilities	-	(27)
- Gain on disposal of investment	-	(54)
- Interest on lease liabilities	138	51
- Interest income	(2,848)	(1,588)
<b>Operating loss before changes in working capital</b>	<b>(2,945)</b>	<b>(4,459)</b>
Movements in working capital :		
- (Increase) in trade receivables	(470)	(284)
- (Increase) / decrease in other financial assets	15	(184)
- Decrease in other assets	(386)	658
- (Increase) in inventory	(419)	(71)
- Increase/ (decrease) in financial liabilities and other liabilities	(230)	(302)
- Increase in provisions	203	290
- Increase in trade payables	181	1,718
<b>Cash (used in) operations</b>	<b>(4,051)</b>	<b>(2,634)</b>
Income taxes (paid)/ refund (net)	(279)	(69)
<b>Net cash (used in) operating activities (A)</b>	<b>(4,330)</b>	<b>(2,703)</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)	(411)	(301)
Investment in bank deposits (having maturity of more than 3 months)	(43,063)	(88,459)
Proceeds from maturity of bank deposits (having maturity of more than 3 months)	55,619	82
Proceeds from redemption of liquid mutual fund units	40,935	24,338
Payment to acquire liquid mutual fund units	(38,865)	(12,784)
Purchase of non-current investments	-	(7,410)
Investment in Government Securities	(5,537)	-
Consideration paid for acquisition of warehousing division of HOTPL	(607)	-
Sale / disposal of Subsidiary	-	14
Loan given	(7,500)	-
Interest received	1,662	15
<b>Net cash (used in) investing activities (B)</b>	<b>2,233</b>	<b>(84,505)</b>
<b>C) Cash flows from Financing activities</b>		
Proceeds from issue of equity shares	57	90,000
Borrowings repaid during the period	(29)	(9)
Transaction costs paid on issue of shares	-	(2,163)
Share-based payment on cancellation of option	(1)	-
Amount collected by ESOP Trust on exercise of employee stock options (net of tax)	10	-
Payment of principal portion of lease liabilities	(268)	(81)
Payment of interest portion of lease liabilities	(138)	(51)
Interest expense	(49)	(7)
<b>Net cash flow from financing activities (C)</b>	<b>(418)</b>	<b>87,689</b>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(2,515)	481
Cash and cash equivalents acquired through business combination	3,390	-
Net foreign exchange difference	75	2
Foreign exchange impact due to hyperinflation economy	-	(284)
Cash and cash equivalents as at the beginning of the period	3,923	3,065
<b>Cash and cash equivalents as at the end of the period</b>	<b>4,873</b>	<b>3,264</b>



**Zomato Limited (formerly known as Zomato Private Limited)**  
**Notes to the consolidated financial results**

- 1 The unaudited consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 10, 2022.
- 2 The unaudited consolidated 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 During the year ended March 31, 2022, the Company had completed initial public offer (IPO) of 1,233,552.631 equity shares of face value of INR 1 each at an issue price of INR 76 per share, comprising fresh issue of 1,184,210,526 shares and offer for sale of 49,342,105 by Info Edge (India) Limited (existing shareholder). Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f July 23, 2021.

The Company has received an amount of INR 87,280 million (net off IPO expenses of INR 2,720 million) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below:

INR million			
Objects of the issue as per prospectus	Amount to be utilised as per prospectus	Utilisation up to September 30, 2022	Unutilised amount as on September 30, 2022
1. Funding organic and inorganic growth initiatives	67,500	59,651	7,849
2. General corporate purposes	19,780	9,147	10,633
<b>Net Proceeds</b>	<b>87,280</b>	<b>68,798</b>	<b>18,482</b>

Net IPO proceeds which were unutilised as on September 30, 2022 were temporarily invested in deposits with scheduled commercial banks.

4 **Exceptional item includes:**

Particulars	Quarter ended			Half-year ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
Gain on sale/ disposal of investment including foreign currency translation reserve on foreign subsidiaries sold / disposed off during the period	-	-	54	-	54	3,227
Loss on account of movements in foreign exchange rate in one of the Company's subsidiary operating in a hyperinflationary economy	-	-	-	-	(159)	(253)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>54</b>	<b>-</b>	<b>(105)</b>	<b>2,974</b>

5 **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.

During the quarter, the Group has acquired Blink Commerce Private Limited ("Blinkit") and warehousing and ancillary services business ("Warehousing division") of Hands-On Trade Private Limited ("HOTPL"). After acquisition, the Group has identified business segments as reportable segments. The business segments comprises of:

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

India food ordering and delivery is the online platform through which we facilitate food ordering and delivery of the food items by connecting the end users, restaurant partners and delivery personnel.

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

Blinkit is a quick commerce online platform facilitating quick delivery of goods and other essentials by connecting the end users, delivery personnel and sellers and providing delivery services. Quick Commerce also provides the warehousing services to the sellers.

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.

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**Zomato Limited (formerly known as Zomato Private Limited)**  
Notes to the consolidated financial results

(a) Summarised segment information is as follows:

INR million

Particulars	Quarter ended			Half-year ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>Revenue from operations (external customers)</b>						
India food ordering and delivery	11,357	10,744	8,513	22,101	15,687	34,146
Hyperpure supplies (B2B business)	3,341	2,727	1,116	6,068	1,868	5,376
Quick commerce business	1,425	-	-	1,425	-	-
All other segments (residual)	490	668	613	1,158	1,131	2,402
<b>Total</b>	<b>16,613</b>	<b>14,139</b>	<b>10,242</b>	<b>30,752</b>	<b>18,686</b>	<b>41,924</b>
<b>Revenue from operations (inter-segment)</b>						
India food ordering and delivery	3	-	-	3	-	-
Hyperpure supplies (B2B business)	0	2	40	2	56	140
Quick commerce business	-	-	-	-	-	-
All other segments (residual)	37	25	34	62	55	160
<b>Total</b>	<b>40</b>	<b>27</b>	<b>74</b>	<b>67</b>	<b>111</b>	<b>300</b>
<b>Segment results</b>						
India food ordering and delivery	27	(1,129)	(2,294)	(1,102)	(3,559)	(7,657)
Hyperpure supplies (B2B business)	(492)	(437)	(304)	(929)	(540)	(1,391)
Quick commerce business	(1,192)	-	-	(1,192)	-	-
All other segments (residual)	(93)	63	(506)	(30)	(659)	(678)
<b>Segment Results</b>	<b>(1,750)</b>	<b>(1,503)</b>	<b>(3,104)</b>	<b>(3,253)</b>	<b>(4,758)</b>	<b>(9,726)</b>
Add: other income	1,695	1,681	1,368	3,376	2,090	4,949
Less: share based payment expense	1,364	1,573	2,252	2,937	4,363	8,779
Less: finance costs	119	49	31	168	64	120
Less: depreciation and amortization expense	1,067	416	384	1,485	739	1,503
Add (Less): exceptional items	-	-	54	-	(105)	2,974
<b>Loss before tax</b>	<b>(2,605)</b>	<b>(1,860)</b>	<b>(4,349)</b>	<b>(4,465)</b>	<b>(7,939)</b>	<b>(12,205)</b>

After acquisition, the Group made certain operational and structural changes to more closely integrate the Group's businesses and to simplify its organizational structure. Under the new structure, the Group reports its financial performance based on following segments i.e. India food ordering and delivery, Hyperpure, Quick commerce business and all other segments (residual) and CODM has reviewed the segment information after allocation of certain expenses to the segments which were earlier considered as unallocable expenses. Accordingly, the Group has recasted comparative period to conform to the way the Group internally manages and monitors segment performance.

- 6 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 (formerly known as Grofers India Private Limited) ("BCPL") for a total purchase consideration of INR 44,475 million at a price of INR 1,346,986.01 per equity share by issuance and allotment of up to 628,530,012 (six 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 34,852 million.

Total consideration of INR 38,281 million includes INR 34,852 million for which shares were issued as mentioned above and INR 3,429 million of fair value of existing ownership interest of 8.96% in BCPL as on date of acquisition.

Blinkit is a quick commerce online platform facilitating quick delivery of goods and other essentials by connecting the end users, delivery personnel and sellers and providing delivery services. The Group has acquired Blinkit for expansion in the quick commerce business.

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

Particulars	Amount (INR million)
Brand <sup>a</sup>	7,966
Technology <sup>c</sup>	2,251
Acquired customers <sup>b</sup>	492
Other intangible assets <sup>d</sup>	950
Deferred tax liability	(2,935)
Cash and bank balances	4,030
Other net assets - (liability)	(9,246)
Goodwill	35,073
<b>Total Purchase Consideration</b>	<b>38,281</b>

<sup>a</sup>Useful lives are estimated to 1 year for Acquired customers 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 business neither of which qualify as an intangible asset. Goodwill is not tax-deductible.

Additionally, as on August 10, 2022, Zomato Hyperpure Private Limited (formerly known as Zomato Internet 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), for an aggregate consideration of INR 607 million paid in cash. The Group has acquired warehousing division for expansion in the quick commerce business. The purchase price of INR 607 million is provisionally allocated to Net Assets of INR 607 million and hence no goodwill is recognised.

- 7 During the current quarter, the Group has acquired BCPL and Warehousing division of HOTPL. Accordingly, comparative figures are not comparable.

For and on behalf of the Board of Directors of Zomato Limited  
(formerly known as Zomato Private Limited)

Deepinder Goyal  
Managing Director and Chief Executive Officer  
(DIN-02613583)

Date: November 10, 2022  
Place: Gurugram



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

**TO THE BOARD OF DIRECTORS OF  
ZOMATO LIMITED (FORMERLY KNOWN AS ZOMATO PRIVATE LIMITED)**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ZOMATO LIMITED** ("the Company") for the quarter and six months ended September 30, 2022 ("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 did not review the financial information of one trust included in the Statement whose financial information reflects total assets of Rs. 93 million as at September 30, 2022, total revenue of Rs. Nil and Rs. Nil for the quarter and six months ended September 30, 2022, total net profit after tax of Rs. 2 million and Rs. 11 million for the quarter and six months ended September 30, 2022, and total comprehensive income of Rs. 2 million and Rs. 11 million for the quarter and six months ended September 30, 2022, as considered in

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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 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: 22503760BCSJQC6696

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Place: Gurugram  
Date: November 10, 2022

## Statement of unaudited standalone financial results for the quarter and half-year ended September 30, 2022

INR million

S. No.	Particulars	Quarter ended			Half-year ended		Year ended
		September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I	Revenue from operations	11,779	11,315	8,971	23,094	16,550	36,110
II	Other income	1,976	1,728	1,350	3,704	2,054	4,975
III	<b>Total income (I+II)</b>	<b>13,755</b>	<b>13,043</b>	<b>10,321</b>	<b>26,798</b>	<b>18,604</b>	<b>41,085</b>
IV	<b>Expenses</b>						
	Employee benefits expense	2,974	3,194	3,782	6,168	7,285	14,790
	Finance costs	42	36	12	78	30	55
	Depreciation and amortisation expenses	409	376	334	785	653	1,334
	Other expenses						
	Advertisement and sales promotion	2,727	2,778	3,906	5,505	6,931	12,271
	Delivery and related charges	5,197	5,724	4,145	10,921	7,092	18,007
	Others	2,288	2,316	1,750	4,604	3,125	7,316
	<b>Total expenses</b>	<b>13,637</b>	<b>14,424</b>	<b>13,929</b>	<b>28,061</b>	<b>25,116</b>	<b>53,773</b>
V	<b>Profit / (loss) before exceptional items and tax (III-IV)</b>	<b>118</b>	<b>(1,381)</b>	<b>(3,608)</b>	<b>(1,263)</b>	<b>(6,512)</b>	<b>(12,688)</b>
VI	Exceptional items (refer note 4)	-	-	(534)	-	(538)	1,710
VII	<b>Profit / (loss) before tax (V+VI)</b>	<b>118</b>	<b>(1,381)</b>	<b>(4,142)</b>	<b>(1,263)</b>	<b>(7,050)</b>	<b>(10,978)</b>
VIII	<b>Tax expense:</b>						
	Current tax	1	-	-	1	-	2
	Deferred tax	-	-	-	-	-	-
IX	<b>Profit / (loss) for the period/ year (VII-VIII)</b>	<b>117</b>	<b>(1,381)</b>	<b>(4,142)</b>	<b>(1,264)</b>	<b>(7,050)</b>	<b>(10,980)</b>
X	<b>Other comprehensive income/ (loss)</b>						
	(i) Items that will not be reclassified to profit or loss						
	- Re-measurement gain/ (loss) on defined benefit plans	11	(18)	(49)	(7)	(78)	(85)
	- Changes in fair value of equity and preference instruments carried at FVTOCI	(591)	(806)	-	(1,397)	-	96
	- Income tax relating to above	-	-	-	-	-	-
	(ii) Items that will be reclassified to profit or loss						
	- Exchange differences on translation of foreign operations	40	43	(1)	83	7	22
	- Income tax relating to above	-	-	-	-	-	-
	<b>Other comprehensive income/ (loss) for the period/ year</b>	<b>(540)</b>	<b>(781)</b>	<b>(50)</b>	<b>(1,321)</b>	<b>(71)</b>	<b>33</b>
XI	<b>Total comprehensive loss for the period/ year (IX+X)</b>	<b>(423)</b>	<b>(2,162)</b>	<b>(4,192)</b>	<b>(2,585)</b>	<b>(7,121)</b>	<b>(10,947)</b>
XII	<b>Paid-up share capital (face value of INR 1 per share)</b>	<b>8,337</b>	<b>7,652</b>	<b>7,565</b>	<b>8,337</b>	<b>7,565</b>	<b>7,643</b>
XIII	<b>Other equity</b>						<b>160,029</b>
XIV	<b>Earnings / (loss) per equity share (INR)<sup>1</sup> (face value of INR 1 each)</b>						
	(a) Basic	0.01	(0.18)	(0.57)	(0.16)	(1.03)	(1.52)
	(b) Diluted	0.01	(0.18)	(0.57)	(0.16)	(1.03)	(1.52)

<sup>1</sup> EPS is not annualised for the quarter and half-year ended September 30, 2022, quarter ended June 30, 2022 and quarter and half-year ended September 30, 2021.





**Zomato Limited (formerly known as Zomato Private Limited)**  
**Standalone Balance Sheet**

INR million

Particulars	As at	As at
	September 30, 2022	March 31, 2022
	Unaudited	Audited
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	390	326
Right-of-use assets	1,321	257
Goodwill	12,093	12,093
Other intangible assets	304	799
Financial assets		
- Investments	77,142	35,356
- Loans	12,250	-
- Other financial assets	39,946	52,150
Tax assets (net)	921	658
Other non-current assets	48	0
<b>Total non-current assets</b>	<b>144,415</b>	<b>101,639</b>
<b>Current assets</b>		
Financial assets		
- Investments	14,109	16,008
- Trade receivables	1,336	1,669
- Cash and cash equivalents	2,718	2,941
- Other bank balances	9,847	11,706
- Loans	-	3,750
- Other financial assets	39,117	36,639
Other current assets	574	655
<b>Total current assets</b>	<b>67,701</b>	<b>73,368</b>
<b>Total assets</b>	<b>212,116</b>	<b>175,007</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	8,337	7,643
Other equity	194,811	160,029
<b>Total equity</b>	<b>203,148</b>	<b>167,672</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
- Lease liabilities	1,258	182
Provisions	610	520
Other non-current liabilities	-	2
<b>Total non-current liabilities</b>	<b>1,868</b>	<b>704</b>
<b>Current liabilities</b>		
Financial liabilities		
- Lease liabilities	157	123
- Trade payables		
a. total outstanding dues of micro enterprises and small enterprises	23	40
b. total outstanding dues of creditors other than micro enterprises and small enterprises	4,279	3,897
- Other financial liabilities	555	404
Provisions	217	165
Other current liabilities	1,869	2,002
<b>Total current liabilities</b>	<b>7,100</b>	<b>6,631</b>
<b>Total liabilities</b>	<b>8,968</b>	<b>7,335</b>
<b>Total equity and liabilities</b>	<b>212,116</b>	<b>175,007</b>



Zomato Limited (formerly known as Zomato Private Limited)  
Unaudited Standalone Statement of Cash Flows

INR million

Particulars	Half-year ended	
	September 30, 2022	September 30, 2021
	Unaudited	Unaudited
<b>A) Cash flows from operating activities</b>		
Loss before tax	(1,263)	(7,050)
<b>Adjustment to reconcile loss before tax to net cash flows:</b>		
- Liabilities written back	(30)	(15)
- Depreciation of property, plant and equipment and amortisation of right-of-use assets	290	132
- Amortisation on intangible assets	495	522
- Provision for doubtful debts and advances	35	41
- Net gain on mutual funds	(276)	(303)
- Provision for impairment in value of investment in subsidiaries	-	538
- Gain on termination of lease contracts	(32)	-
- Amortisation of premium on Government securities	91	-
- Share-based payment expense	2,771	4,146
- Property, plant and equipment written-off	-	(0)
- Interest on lease liabilities	65	22
- Interest income	(3,076)	(1,594)
<b>Operating loss before changes in working capital</b>	<b>(930)</b>	<b>(3,561)</b>
Movements in working capital:		
- (Increase)/ decrease in trade receivables	303	(133)
- (Increase)/ decrease in financial assets	(38)	(128)
- Decrease in other assets	38	802
- (Increase)/ decrease in loans	-	(330)
- Increase/ (decrease) in other financial liabilities	158	(483)
- Increase in provisions	134	226
- Decrease / (Increase) in other liabilities	(146)	273
- Increase in trade payables	391	1,436
<b>Cash (used in) operations</b>	<b>(90)</b>	<b>(1,898)</b>
Income taxes refund/ (paid) (net)	(264)	(56)
<b>Net cash (used in) operating activities (A)</b>	<b>(354)</b>	<b>(1,954)</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)	(197)	(215)
Proceeds from sale of property, plant and equipment	-	0
Investment in bank deposits (having maturity of more than 3 months)	(41,367)	(88,436)
Proceeds from maturity of bank deposits (having maturity of more than 3 months)	54,095	67
Proceeds from redemption of mutual fund units	34,943	23,412
Investment in mutual fund units	(32,757)	(11,719)
Investment in equity investments	-	(7,411)
Investment in Government Securities	(5,538)	-
Loan given	(9,000)	-
Loan received back	500	-
Investment in subsidiaries	(2,284)	(830)
Interest received	1,767	14
<b>Net cash (used in) investing activities (B)</b>	<b>162</b>	<b>(85,118)</b>
<b>C) Cash flows from Financing activities</b>		
Proceeds from issue of equity shares	57	90,000
Transaction cost on issue of shares	-	(2,163)
Share based payment on cancellation of option	(1)	-
Amount collected by ESOP Trust on exercise of employee stock options (net of tax)	10	-
Payment of principal portion of lease liabilities	(97)	(62)
Payment of interest portion of lease liabilities	(64)	(22)
<b>Net cash flows from financing activities (C)</b>	<b>(95)</b>	<b>87,753</b>
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(287)	681
Net foreign exchange difference	64	5
Cash and cash equivalents as at the beginning of the period	2,941	1,686
<b>Cash and cash equivalents as at the end of the period</b>	<b>2,718</b>	<b>2,372</b>

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**Zomato Limited (formerly known as Zomato Private Limited)**  
**Notes to the standalone financial results**

- 1 The unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 10, 2022.
- 2 The unaudited standalone 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 During the year ended March 31, 2022, the Company had completed initial public offer (IPO) of 1,233,552,631 equity shares of face value of INR 1 each at an issue price of INR 76 per share, comprising fresh issue of 1,184,210,526 shares and offer for sale of 49,342,105 by Info Edge (India) Limited (existing shareholder). Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) w.e.f July 23, 2021.
- The Company has received an amount of INR 87,280 million (net of IPO expenses of INR 2,720 million) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below:

Objects of the issue as per prospectus	Amount to be utilised as per prospectus	INR million	
		Utilisation up to September 30, 2022	Unutilised amount as on September 30, 2022
1. Funding organic and inorganic growth initiatives	67,500	59,651	7,849
2. General corporate purposes	19,780	9,147	10,633
<b>Net Proceeds</b>	<b>87,280</b>	<b>68,798</b>	<b>18,482</b>

Net IPO proceeds which were unutilised as on September 30, 2022 were temporarily invested in deposits with scheduled commercial banks.

4 **Exceptional item includes:**

Particulars	Quarter ended			Half-year ended		Year ended
	September 30, 2022	June 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021	March 31, 2022
Provision for impairment in value of investment in subsidiaries	-	-	(534)	-	(538)	(548)
Gain on sale /disposal of investment including foreign currency translation reserve on foreign subsidiaries sold / disposed off during the period	-	-	-	-	-	2,258
<b>Total</b>	-	-	<b>(534)</b>	-	<b>(538)</b>	<b>1,710</b>

5 The Company publishes these financial results along with the unaudited consolidated financial results. In accordance with Ind AS 108, 'Operating Segments', the Company has disclosed the segment information in the unaudited consolidated financial results.

6 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 (formerly known as Grofers India Private Limited) ("BCPL") for a total purchase consideration of INR 44,475 million at a price of INR 1,346,986.01 per equity share by issuance and allotment of up to 628,530,012 (six 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. Blinkit is a quick commerce online platform facilitating quick delivery of goods and other essentials by connecting the end users, delivery personnel and sellers and providing delivery services. The Company has acquired Blinkit for expansion in the quick commerce business.

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 34,852 million.

Additionally, as on August 10, 2022, Zomato Hyperpure Private Limited (formerly known as Zomato Internet 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), for an aggregate consideration of INR 607 million paid in cash. The Company has acquired warehousing division for expansion in the quick commerce business.

7 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") and Zomato Entertainment Private Limited ("ZEPL") (accumulated losses as of September 30, 2022 being INR 3,659 million and INR 222 million for ZHPL and ZEPL respectively) ("subsidiary companies"), the Company carried out an impairment assessment as on September 30, 2022 of these subsidiary companies basis fair value of the entity determined by a valuer using discounted future cashflows approach as on March 31, 2022 and by reviewing the current period performance. Based on the review of the performance and future plan of the subsidiaries, the Company concluded that no impairment is required. The same was noted by the Audit Committee and the Board.

For and on behalf of the Board of Directors of Zomato Limited  
(formerly known as Zomato Private Limited)



Deepinder Goyal  
Managing Director and Chief Executive Officer  
(DIN-02613583)

Date: November 10, 2022  
Place: Gurugram



