

# Internet: Eternal & Swiggy



## Eternal & Swiggy: Steady on food, stormy on quick commerce

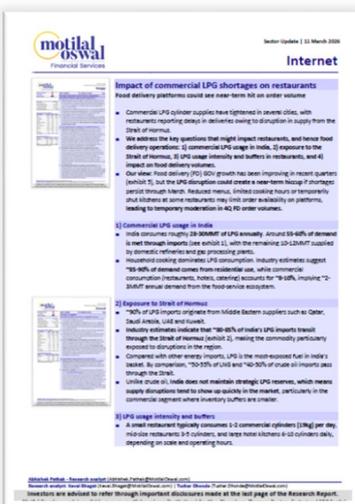
### Our channel checks suggest divergent quarter for FD and QC

Our channel checks ahead of the 4QFY26 earnings season suggest a divergent quarter for the two listed internet platforms, Eternal (Zomato) and Swiggy. **Food delivery (FD) should post an improved quarter, with both players likely to report 18-20% YoY growth in gross order value (GOV), aided by a benign base and limited disruption from the recent gas shortage on actual order volumes, for now.**

For quick commerce (QC), competitive intensity, particularly from Zepto, which continues to operate at lower minimum order values and higher discounts, is beginning to weigh on volume growth for both Blinkit and Swiggy Instamart. We have cut our near-term growth estimates for both platforms to reflect this deceleration. However, following a meaningful correction (Eternal down 32% and Swiggy down 50% from peak), we believe valuations have turned attractive. Despite a reduction, our new TPs imply ~37x FY28E EV/EBITDA for Blinkit and 0.4x FY28E EV/GMV for Swiggy. We maintain BUY on both names.

### Food delivery: Benign base, resilient growth, and a fee-fueled margin lever

- Our channel checks indicate FD order volumes were largely unaffected by the gas shortage in the quarter. We expect both Eternal and Swiggy to report GOV growth of 20-21% YoY in 4QFY26E, an improvement from the ~15-18% range seen in the previous few quarters.
- This is largely also due to a benign base. We still expect sequential weakness – QoQ decline of 2% for Eternal and 1% for Swiggy in FD.
- The more interesting development is the persistent hike in platform fees, now at ~INR14.9 (excl. GST) per order for both Eternal and Swiggy. **At 3-4% of AOV, this is eye-watering, in our view, and we suspect both players are leaving some demand on the table.** Yet, it is notable that growth rates continue to hold in the 15-20% range despite this implicit demand tax.
- FD continues to serve as the primary cash flow lever for quick commerce ambitions. Platform fee hikes, combined with improving unit economics, are generating the incremental EBITDA needed to absorb losses in Blinkit and Instamart (Exhibit 9-10).
- We view the growth-profitability trade-off as deliberate — management teams appear comfortable sacrificing some revenue growth for margin accretion, a rational choice given the QC funding requirement.



### Quick commerce: Competition is real, but the pie is still expanding

- The standout datapoint this quarter is the continued deceleration in QC volume metrics. Growth in orders per day and net order value (NOV), which was trending at 25%+ QoQ and 125%+ YoY, respectively, as recently as 2-3 quarters ago, should slow in 4Q as it did in 3Q. **We estimate 9-12% QoQ growth in orders per day and 6-10% QoQ growth in NOV for both Blinkit and Instamart.**

- While part of this deceleration reflects a higher base, we believe the competitive impact is real. Zepto's aggressive positioning — lower minimum order values and steeper discounts — is clearly eating into the market share of the listed players.
- That said, we believe the overall QC pie continues to expand. The slowdown is more a function of share redistribution than demand destruction right now.

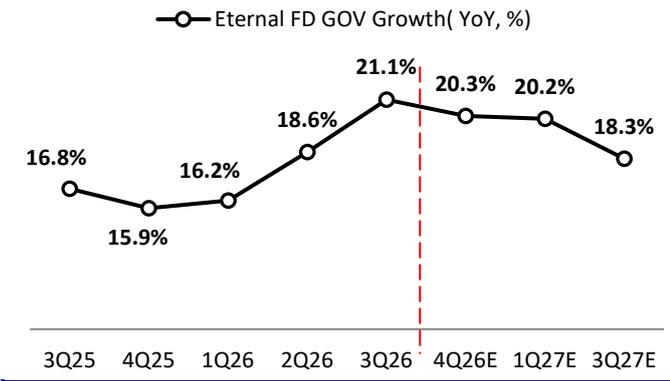
#### Near-term estimates cut: Competitive intensity likely to stay elevated

- We have cut our near-term QC estimates for both Blinkit and Swiggy Instamart. We now expect NOV CAGR of 42%/36% for Blinkit/Instamart over FY26-28 vs. 51%/38% earlier. The revision is driven primarily by lower volume growth assumptions, partially offset by stable-to-improving AOVs.
- We expect competitive intensity to remain elevated through FY27; the key monitorable over the next 2-3 quarters is whether the listed players choose to increase discounts.
- We expect short-term volatility in share prices as the market adjusts to slower growth prints. However, we view this as time-value erosion rather than a fundamental de-rating, given that the underlying category growth story remains intact.

#### Valuation and view: Correction creates opportunity; maintain BUY on both

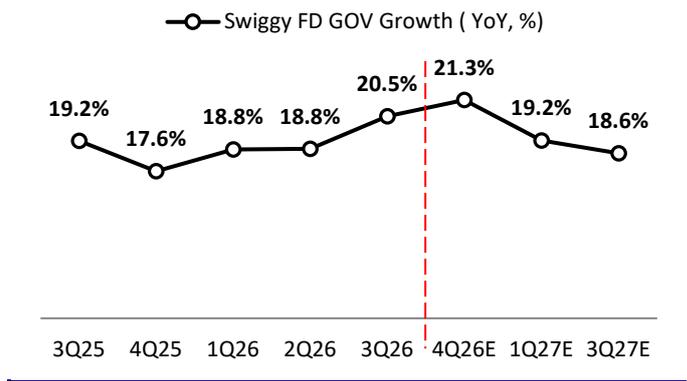
- The recent correction has compressed valuations meaningfully. Eternal is down 32% and Swiggy is down 50% from the peak, creating what we view as an attractive entry point for medium-term investors.
- We continue to view FD as a stable duopoly with balanced market shares between Eternal and Swiggy. We maintain 35x FY27E EV/EBITDA for FD business of Eternal and Swiggy.
- **Eternal:** Our revised TP of INR340 implies ~37x EV/EBITDA on FY28 Blinkit estimates, with a potential upside of 44% from the current levels.
- **Swiggy:** Our revised TP of INR390 implies ~0.4x FY28E EV/GMV for QC business, still a discount of 50-60% to Eternal's multiple and we believe it offers a better upside from hereon.
- Despite our TP cuts, **we maintain BUY on both names.** The competitive concerns are real but priced in, in our view. We prefer Eternal for its execution track record and Blinkit's category leadership, though we believe Swiggy offers greater upside from the current levels given the steeper discount.

**Exhibit 1: For both Eternal and Swiggy, GOV growth in FD to be in high teens...**



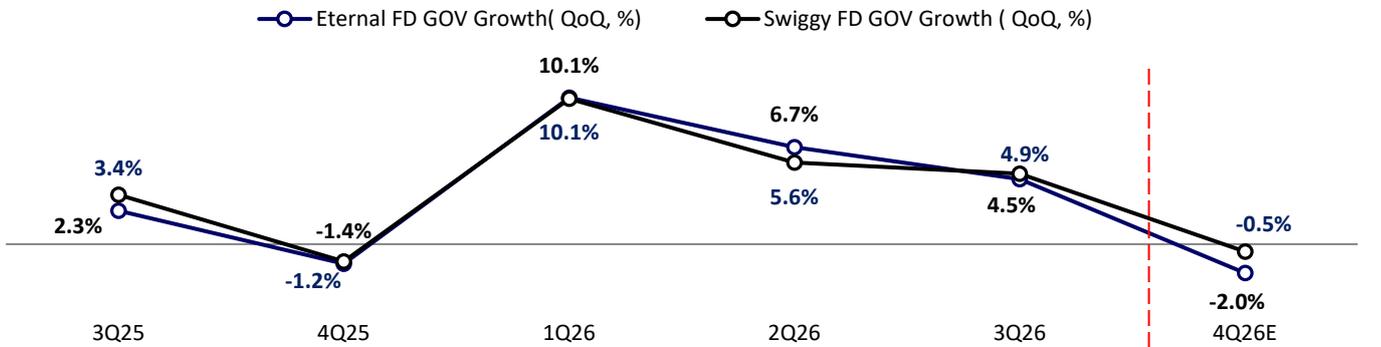
Source: Company, MOFSL

**Exhibit 2: ...as order volumes remain unaffected**



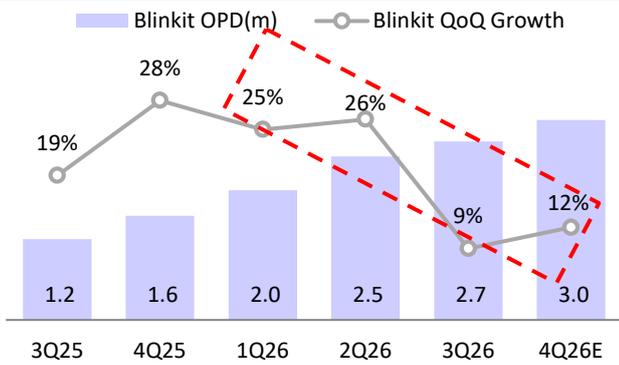
Source: Company, MOFSL

**Exhibit 3: Although this is on benign base, we still expect some sequential weakness for Eternal and Swiggy**



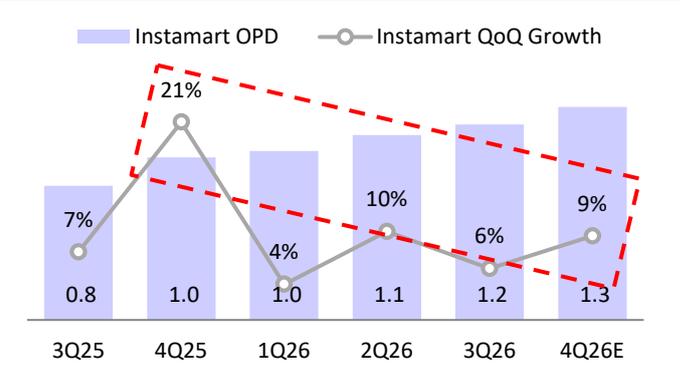
Source: Company, MOFSL

**Exhibit 4: Increase competition to have impact on...**



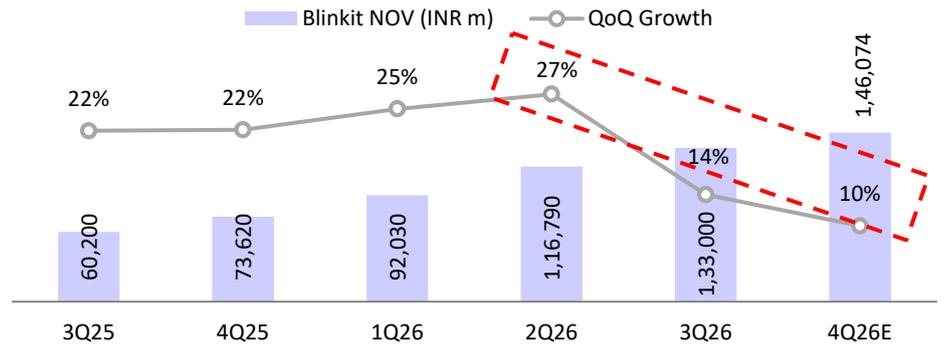
Source: Company, MOFSL

**Exhibit 5: ...volumes and thus throughput in QC business**



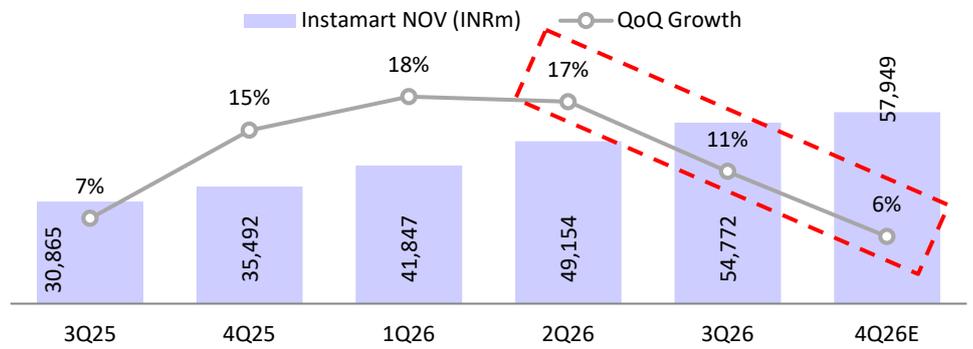
Source: Company, MOFSL

**Exhibit 6: Zepto’s aggressive preposition is eating into...**



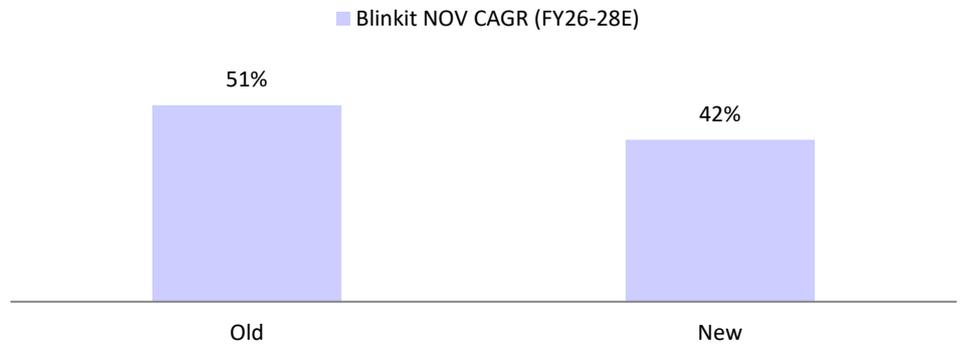
Source: Company, MOFSL

**Exhibit 7: .... market share of listed players; however, overall pie still expanding**



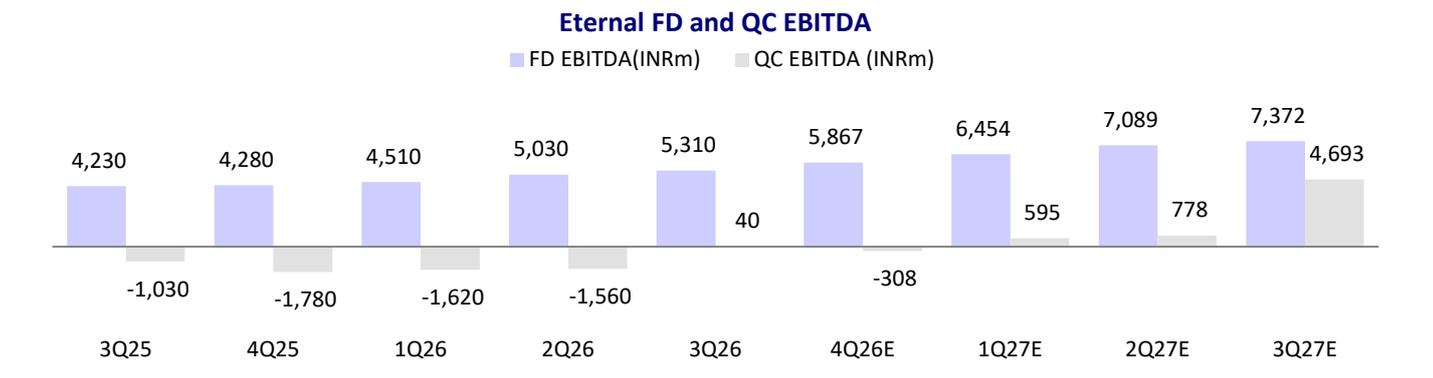
Source: Company, MOFSL

**Exhibit 8: We cut estimates for NOV in QC due to lower volume growth assumptions**



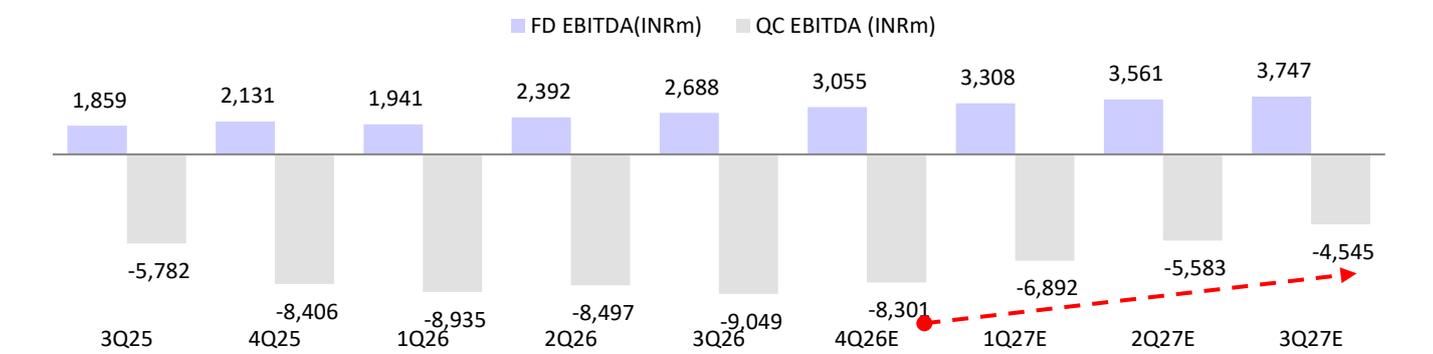
Source: MOFSL

**Exhibit 9: Blinkit achieved EBITDA breakeven in 3Q; however, competitive intensity may lead to some reversal in 4Q. That said, incremental EBITDA from FD is expected to offset this impact**



Source: Company, MOFSL

**Exhibit 10: We expect Swiggy's QC EBITDA to decline from hereon; recent platform hikes in FD shall help in absorbing losses**



Source: Company, MOFSL

## Eternal's valuation

### Exhibit 11: QC's DCF assumptions

#### DCF Assumptions & Valuation

##### Quick Commerce

Order growth (FY25-37)	30.5%
NOV growth (FY25-37)	30.7%

\*Assumed NOV at INR541 to remain constant

Source: MOFSL

### Exhibit 12: SoTP-based TP at INR340

Assumptions and Valuation	Food Delivery	Q-commerce (DCF)	Other businesses	Cash	Total
<b>Valuation methodology</b>	Valued at EV/EBITDA multiple	DCF	Ascribing ~USD1bn value to Hyperpure, Going Out, and any other residual business		
<b>WACC</b>	-	12.00%	-		
<b>Terminal Growth</b>	-	4.50%	-		
<b>EV/EBITDA multiple</b>	35x	-	-		
<b>EV (INR m)</b>	9,84,881	15,36,667	88,000	1,78,200	
<b>Contribution (INR rounded)</b>	<b>121</b>	<b>188</b>	<b>11</b>	<b>20</b>	<b>340</b>

Source: MOFSL

## Swiggy's valuation

### Exhibit 13: DCF assumptions and valuation

#### DCF Assumptions & Valuation

##### Quick Commerce

Order growth (FY25-37)	23.1%
AOV growth (FY25-37)	3.9%
GOV growth (FY25-37)	27.9%

Source: MOFSL

### Exhibit 14: SoTP-based TP at INR390

Segment	Methodology	Methodology description	Valuation toward SWIGGY (INR b)	Contribution (INR per share)
Food Delivery Business	Multiples	❖ 35x FY27E EV/EBITDA	509	199
Quick Commerce Business	DCF	❖ Estimate 28% GOV CAGR and avg. contribution margin of 3.2% over FY25-37. Our WACC/terminal growth estimate stands at 12.5%/4.5%, respectively.	247	97
Other businesses		❖ Ascribing ~USD1bn value to Out of Home Consumption and Supply Chain businesses	88	34
Cash on the books			159	60
<b>Total (Rounded)</b>				<b>390</b>

## Financials and valuations - Eternal

### Valuation metrics

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
MTU (m)	6.8	14.7	17.1	18.4	20.6	24.3	27.7	31.0
Order Frequency	2.9	3.0	3.2	3.5	3.6	3.6	3.8	3.9
Orders/ Month	19.9	44.7	54.0	63.9	73.9	88.0	104.2	120.6
Orders/ Year	239	537	648	766	886	1,056	1,250	1,447
AOV	397	398	407	420	436	436	436	447
<b>Delivery GOV</b>	<b>94,829</b>	<b>2,13,565</b>	<b>2,63,381</b>	<b>3,22,039</b>	<b>3,86,430</b>	<b>4,60,305</b>	<b>5,45,209</b>	<b>6,46,942</b>
Take Rate (%)	15.8	17.2	17.2	19.7	20.9	21.6	21.5	21.5
<b>Delivery Revenue</b>	<b>15,003</b>	<b>36,645</b>	<b>45,381</b>	<b>63,572</b>	<b>80,796</b>	<b>99,510</b>	<b>1,17,220</b>	<b>1,39,093</b>
Blinkit revenue	0	0	8,058	23,020	52,060	3,69,633	7,21,891	11,87,819
Hyperpure revenue	2,002	5,376	15,061	31,720	61,960	54,848	46,681	51,527
Others	2,933	-97	2,294	2,828	7,614	10,389	14,887	17,640
<b>Revenue</b>	<b>19,938</b>	<b>41,924</b>	<b>70,794</b>	<b>1,21,140</b>	<b>2,02,430</b>	<b>5,34,379</b>	<b>9,00,678</b>	<b>13,96,079</b>

### Income statement

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Sales</b>	<b>19,938</b>	<b>41,924</b>	<b>70,794</b>	<b>1,21,140</b>	<b>2,02,430</b>	<b>5,34,379</b>	<b>9,00,678</b>	<b>13,96,079</b>
Change (%)	-23.5	110.3	68.9	71.1	67.1	164.0	68.5	55.0
Inventory of traded goods	1,919	5,246	13,952	28,820	55,650	3,10,017	6,49,702	10,69,037
Employee Expenses	7,408	16,331	14,650	16,590	25,580	0	0	0
Other direct expenses	-8,333	-14,125	2,173	19,990	38,340	1,27,100	2,25,060	3,70,320
<b>Gross Profit</b>	<b>-925</b>	<b>2,206</b>	<b>16,823</b>	<b>36,580</b>	<b>63,920</b>	<b>1,27,100</b>	<b>2,25,060</b>	<b>3,70,320</b>
% of Net Sales	-4.6	5.3	23.8	30.2	31.6	23.8	25.0	26.5
Other Expenses	3,746	20,714	28,936	36,160	57,544	1,15,539	1,91,413	2,94,131
<b>EBITDA</b>	<b>-4,672</b>	<b>-18,508</b>	<b>-12,113</b>	<b>420</b>	<b>6,376</b>	<b>11,561</b>	<b>33,647</b>	<b>76,189</b>
% of Net Sales	-23.4	-44.1	-17.1	0.3	3.1	2.2	3.7	5.5
Depreciation	1,377	1,503	4,369	5,260	8,630	14,563	13,510	20,941
<b>EBIT</b>	<b>-6,049</b>	<b>-20,011</b>	<b>-16,482</b>	<b>-4,840</b>	<b>-2,254</b>	<b>-3,002</b>	<b>20,137</b>	<b>55,248</b>
% of Net Sales	-30.3	-47.7	-23.3	-4.0	-1.1	-0.6	2.2	4.0
Other Income (net)	1,146	4,829	6,328	7,750	9,230	9,740	7,200	7,200
<b>PBT</b>	<b>-4,904</b>	<b>-15,182</b>	<b>-10,154</b>	<b>2,910</b>	<b>6,976</b>	<b>6,738</b>	<b>27,337</b>	<b>62,448</b>
Tax	13	20	-436	-600	1,700	2,501	5,795	13,169
Rate (%)	-0.3	-0.1	4.3	-20.6	24.4	37.1	21.2	21.1
<b>PAT</b>	<b>-4,917</b>	<b>-15,202</b>	<b>-9,718</b>	<b>3,510</b>	<b>5,276</b>	<b>4,236</b>	<b>21,542</b>	<b>49,279</b>
Extraordinary gains/loss	-3,248	2,974	1	0	0	0	0	0
<b>Adjusted PAT</b>	<b>-8,164</b>	<b>-12,228</b>	<b>-9,717</b>	<b>3,510</b>	<b>5,276</b>	<b>4,236</b>	<b>21,542</b>	<b>49,279</b>
Minority Interest	-36	3	-3	0	0	0	0	0
<b>Reported PAT</b>	<b>-8,128</b>	<b>-12,225</b>	<b>-9,720</b>	<b>3,510</b>	<b>5,276</b>	<b>4,236</b>	<b>21,542</b>	<b>49,279</b>
Change (%)	NA	NA	NA	NA	NA	NA	NA	NA

### Balance Sheet

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share capital	4,550	7,643	8,364	8,680	9,070	9,070	9,070	9,070
Reserves	76,438	1,57,412	1,86,234	1,95,450	2,94,100	2,98,336	3,19,878	3,69,157
<b>Net Worth</b>	<b>80,987</b>	<b>1,65,055</b>	<b>1,94,598</b>	<b>2,04,130</b>	<b>3,03,170</b>	<b>3,07,406</b>	<b>3,28,948</b>	<b>3,78,227</b>
Minority Interest & Others	-57	-66	-66	-70	-70	-70	-70	-70
Loans	0	0	58	0	0	0	0	0
<b>Capital Employed</b>	<b>80,930</b>	<b>1,64,989</b>	<b>1,94,590</b>	<b>2,04,060</b>	<b>3,03,100</b>	<b>3,07,336</b>	<b>3,28,878</b>	<b>3,78,157</b>
<b>Net Block</b>	<b>838</b>	<b>1,157</b>	<b>6,432</b>	<b>9,950</b>	<b>29,340</b>	<b>42,699</b>	<b>65,216</b>	<b>72,197</b>
Intangibles	14,553	12,892	57,071	54,710	66,490	62,614	67,118	74,098
Other LT assets	30,138	83,771	44,174	1,14,320	1,43,390	1,23,390	1,08,390	1,08,390
<b>Curr. Assets</b>	<b>41,505</b>	<b>75,450</b>	<b>1,08,310</b>	<b>54,580</b>	<b>1,17,010</b>	<b>1,55,722</b>	<b>1,91,680</b>	<b>2,62,753</b>
Debtors	1,299	1,599	4,569	7,940	19,460	51,371	86,584	1,34,208
Cash & Bank Balance	3,065	3,923	2,181	3,090	6,660	13,461	14,206	37,655
Investments	28,024	28,149	52,837	17,020	52,200	52,200	52,200	52,200
Other Current Assets	9,118	41,779	48,723	26,530	38,690	38,690	38,690	38,690
<b>Current Liab. &amp; Prov</b>	<b>6,105</b>	<b>8,281</b>	<b>21,397</b>	<b>29,500</b>	<b>53,130</b>	<b>77,088</b>	<b>1,03,525</b>	<b>1,39,279</b>
<b>Net Current Assets</b>	<b>35,400</b>	<b>67,169</b>	<b>86,913</b>	<b>25,080</b>	<b>63,880</b>	<b>78,634</b>	<b>88,155</b>	<b>1,23,474</b>
<b>Application of Funds</b>	<b>80,930</b>	<b>1,64,989</b>	<b>1,94,590</b>	<b>2,04,060</b>	<b>3,03,100</b>	<b>3,07,338</b>	<b>3,28,879</b>	<b>3,78,159</b>

## Financials and valuations - Eternal

### Ratios

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>-1.0</b>	<b>-1.7</b>	<b>-1.2</b>	<b>0.4</b>	<b>0.6</b>	<b>0.5</b>	<b>2.4</b>	<b>5.5</b>
Cash EPS	-0.8	-1.5	-0.7	1.0	1.6	2.1	3.9	7.8
Book Value	15.0	22.6	24.1	23.7	33.8	34.3	36.7	42.2
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout %	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

### Valuation (x)

P/E	NA	NA	NA	NA	NA	NA	NA	NA
Cash P/E	NA	NA	NA	NA	NA	NA	NA	NA
EV/EBITDA	NA	NA	NA	NA	NA	NA	NA	NA
EV/Sales	64.1	41.3	27.1	16.9	10.5	4.0	2.4	1.5
Price/Book Value	15.8	10.5	9.9	10.0	7.0	6.9	6.5	5.6
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

### Profitability Ratios (%)

RoE	(18.5)	(9.9)	(5.4)	1.8	2.1	1.4	6.8	13.9
RoCE	(11.7)	(16.2)	(8.6)	(2.8)	(0.6)	(0.6)	4.7	11.7

### Turnover Ratios

Debtors (Days)	24	14	24	24	35	35	35	35
Fixed Asset Turnover (x)	23.8	36.2	11.0	12.2	6.9	12.5	13.8	19.3

### Cash Flow Statement

(INR m)

Y/E March	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
CF from Operations	-2,612	-9,413	-6,681	5,280	14,010	9,160	27,952	63,120
Cash for Working Capital	-7,567	2,483	-1,759	1,180	-10,930	-7,953	-8,776	-11,869
<b>Net Operating CF</b>	<b>-10,179</b>	<b>-6,930</b>	<b>-8,440</b>	<b>6,460</b>	<b>3,080</b>	<b>1,206</b>	<b>19,176</b>	<b>51,251</b>
Net Purchase of FA	-104	-572	-1,014	-2,020	-9,310	-24,047	-40,531	-34,902
<b>Free Cash Flow</b>	<b>-10,284</b>	<b>-7,502</b>	<b>-9,454</b>	<b>4,440</b>	<b>-6,230</b>	<b>-22,841</b>	<b>-21,355</b>	<b>16,349</b>
Net Purchase of Invest.	-52,332	-78,806	5,587	-1,450	-70,620	33,040	25,000	10,000
<b>Net Cash from Invest.</b>	<b>-52,436</b>	<b>-79,378</b>	<b>4,573</b>	<b>-3,470</b>	<b>-79,930</b>	<b>8,993</b>	<b>-15,531</b>	<b>-24,902</b>
Proc. from equity issues	66,083	90,000	40	230	85,010	-100	-100	-100
Proceeds from LTB/STB	-26	-13	-231	-400	0	0	0	0
Others	-2,038	-2,489	-1,083	-1,900	-4,590	-3,300	-2,800	-2,800
Dividend Payments	0	0	0	0	0	0	0	0
<b>Cash Flow from Fin.</b>	<b>64,019</b>	<b>87,498</b>	<b>-1,274</b>	<b>-2,070</b>	<b>80,420</b>	<b>-3,400</b>	<b>-2,900</b>	<b>-2,900</b>
<b>Net Cash Flow</b>	<b>1,403</b>	<b>1,190</b>	<b>-5,141</b>	<b>920</b>	<b>3,570</b>	<b>6,799</b>	<b>745</b>	<b>23,449</b>
<b>Opening Cash Bal.</b>	<b>1,672</b>	<b>3,065</b>	<b>3,923</b>	<b>2,181</b>	<b>3,091</b>	<b>6,661</b>	<b>13,461</b>	<b>14,206</b>
Forex differences	-10	-332	3,399	-10	0	0	0	0
Add: Net Cash	1,403	1,190	-5,141	920	3,570	6,799	745	23,449
<b>Closing Cash Bal.</b>	<b>3,065</b>	<b>3,923</b>	<b>2,181</b>	<b>3,091</b>	<b>6,661</b>	<b>13,461</b>	<b>14,206</b>	<b>37,655</b>

## Financials and valuations - Swiggy

Revenue Model							(INR m)
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
MTU (m)	9.9	11.6	12.7	14.7	17.4	20.1	22.7
Order Frequency	3.8	3.7	3.8	3.7	3.8	4.0	4.1
Orders/ Month	37.8	43.1	48.1	55.0	66.1	79.4	92.6
Orders/ Year	454	517	578	660	793	953	1,111
AOV	407	416	428	436	435	432	445
<b>Delivery GOV</b>	<b>1,84,788</b>	<b>2,15,171</b>	<b>2,47,174</b>	<b>2,87,823</b>	<b>3,45,008</b>	<b>4,11,505</b>	<b>4,94,149</b>
Take Rate (%)	18.4	19.2	20.9	22.1	22.6	22.5	22.5
<b>Delivery Revenue</b>	<b>33,913</b>	<b>41,300</b>	<b>51,601</b>	<b>63,529</b>	<b>77,963</b>	<b>92,589</b>	<b>1,11,183</b>
Instamart Revenue	828	4,514	9,786	21,296	38,769	62,590	93,280
Out-of-home consumption revenue	0	777	1,572	2,385	3,669	5,140	6,414
Others	22,307	36,056	49,515	65,058	1,08,909	1,28,228	1,38,816
<b>Revenue</b>	<b>57,049</b>	<b>82,646</b>	<b>1,12,474</b>	<b>1,52,268</b>	<b>2,29,310</b>	<b>2,88,547</b>	<b>3,49,693</b>

Income statement							(INR m)
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Sales</b>	<b>57,049</b>	<b>82,646</b>	<b>1,12,474</b>	<b>1,52,268</b>	<b>2,29,310</b>	<b>2,88,547</b>	<b>3,49,693</b>
Change (%)	NA	44.9	36.1	35.4	50.6	25.8	21.2
Inventory of traded goods	22,680	33,809	46,042	60,015	1,00,490	1,21,818	1,31,910
Employee Expenses	17,085	21,298	20,122	25,489	27,820	33,709	36,070
Other direct expenses	199	6,241	26,189	41,275	73,181	99,312	1,45,644
<b>Gross Profit</b>	<b>17,284</b>	<b>27,539</b>	<b>46,310</b>	<b>66,764</b>	<b>1,01,001</b>	<b>1,33,020</b>	<b>1,81,714</b>
% of Net Sales	30.3	33.3	41.2	43.8	44.0	46.1	52.0
Other Expenses	53,794	70,297	68,390	94,622	1,34,053	1,49,521	1,79,124
<b>EBITDA</b>	<b>-36,511</b>	<b>-42,758</b>	<b>-22,080</b>	<b>-27,858</b>	<b>-33,053</b>	<b>-16,501</b>	<b>2,590</b>
% of Net Sales	-64.0	-51.7	-19.6	-18.3	-14.4	-5.7	0.7
Depreciation	1,701	2,858	4,206	6,123	11,552	10,099	12,239
<b>EBIT</b>	<b>-38,212</b>	<b>-45,616</b>	<b>-26,286</b>	<b>-33,981</b>	<b>-44,605</b>	<b>-26,600</b>	<b>-9,649</b>
% of Net Sales	-67.0	-55.2	-23.4	-22.3	-19.5	-9.2	-2.8
Other Income (net)	3,665	3,917	3,156	2,956	1,490	3,000	3,400
<b>PBT</b>	<b>-34,547</b>	<b>-41,699</b>	<b>-23,130</b>	<b>-31,025</b>	<b>-43,115</b>	<b>-23,600</b>	<b>-6,249</b>
Tax	0	0	0	0	0	0	0
Rate (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>PAT</b>	<b>-34,547</b>	<b>-41,699</b>	<b>-23,130</b>	<b>-31,025</b>	<b>-43,115</b>	<b>-23,600</b>	<b>-6,249</b>
Extraordinary gains/loss	1,732	93	306	118	100	0	0
<b>Adjusted PAT</b>	<b>-36,279</b>	<b>-41,792</b>	<b>-23,436</b>	<b>-31,143</b>	<b>-43,215</b>	<b>-23,600</b>	<b>-6,249</b>
Minority Interest	10	1	66	26	30	0	0
<b>Reported PAT</b>	<b>-36,289</b>	<b>-41,793</b>	<b>-23,502</b>	<b>-31,169</b>	<b>-43,245</b>	<b>-23,600</b>	<b>-6,249</b>
Change (%)	NA	NA	NA	NA	NA	NA	NA

Balance Sheet							(INR m)
Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Share capital	1,55,634	1,55,652	1,55,763	2,286	1,02,286	1,02,286	1,02,286
Reserves	-32,965	-65,086	-77,848	99,908	66,693	52,093	49,844
<b>Net Worth</b>	<b>1,22,669</b>	<b>90,566</b>	<b>77,915</b>	<b>1,02,195</b>	<b>1,68,980</b>	<b>1,54,379</b>	<b>1,52,130</b>
Loans	0	0	960	0	0	0	0
<b>Capital Employed</b>	<b>1,22,669</b>	<b>90,566</b>	<b>78,874</b>	<b>1,02,195</b>	<b>1,68,980</b>	<b>1,54,379</b>	<b>1,52,130</b>
<b>Net Block</b>	<b>7,738</b>	<b>8,596</b>	<b>10,406</b>	<b>26,838</b>	<b>26,593</b>	<b>28,035</b>	<b>26,287</b>
Intangibles	272	6,455	10,008	9,470	9,470	9,470	9,470
Other LT assets	14,711	19,529	17,514	24,690	24,690	24,690	24,690
<b>Curr. Assets</b>	<b>1,21,336</b>	<b>78,227</b>	<b>67,366</b>	<b>91,056</b>	<b>1,57,965</b>	<b>1,46,561</b>	<b>1,50,850</b>
Debtors	11,119	10,623	9,639	24,625	19,651	24,727	29,967
Cash & Bank Balance	10,961	8,325	8,691	12,306	1,34,209	1,17,729	1,16,777
Investments	90,757	48,885	37,323	33,921	0	0	0
Other Current Assets	8,498	10,393	11,714	20,203	4,105	4,105	4,105
<b>Current Liab. &amp; Prov</b>	<b>21,388</b>	<b>22,240</b>	<b>26,420</b>	<b>49,858</b>	<b>49,638</b>	<b>54,277</b>	<b>59,066</b>
<b>Net Current Assets</b>	<b>99,948</b>	<b>55,987</b>	<b>40,946</b>	<b>41,197</b>	<b>1,08,327</b>	<b>92,284</b>	<b>91,784</b>
<b>Application of Funds</b>	<b>1,22,669</b>	<b>90,566</b>	<b>78,874</b>	<b>1,02,195</b>	<b>1,69,080</b>	<b>1,54,479</b>	<b>1,52,230</b>

## Financials and valuations - Swiggy

### Ratios

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
<b>Basic (INR)</b>							
<b>EPS</b>	<b>-16.4</b>	<b>-17.2</b>	<b>-9.5</b>	<b>-12.2</b>	<b>-16.9</b>	<b>-9.2</b>	<b>-2.4</b>
Cash EPS	-15.6	-16.0	-7.8	-9.8	-12.4	-5.3	2.3
Book Value	55.4	37.3	31.6	40.0	66.2	60.5	59.6
DPS	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payout %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Valuation (x)</b>							
P/E	NA	NA	NA	NA	NA	NA	NA
Cash P/E	NA	NA	NA	NA	NA	NA	NA
EV/EBITDA	NA	NA	NA	NA	NA	NA	NA
EV/Sales	10.5	8.0	6.0	4.5	2.5	2.0	1.7
Price/Book Value	5.0	7.4	8.7	6.9	4.2	4.6	4.6
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Profitability Ratios (%)</b>							
RoE	(29.6)	(39.2)	(27.8)	(34.6)	(31.9)	(14.6)	(4.1)
RoCE	(30.0)	(40.9)	(29.2)	(33.9)	(29.8)	(15.1)	(5.8)
<b>Turnover Ratios</b>							
Debtors (Days)	71	47	31	59	31	31	31
Fixed Asset Turnover (x)	7.4	9.6	10.8	5.7	8.6	10.3	13.3

### Cash Flow Statement

(INR m)

Y/E March	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
CF from Operations	-32,128	-39,460	-15,115	-15,474	-23,053	-7,501	6,590
Cash for Working Capital	-6,876	-1,139	1,988	-6,221	4,754	-437	-451
<b>Net Operating CF</b>	<b>-39,004</b>	<b>-40,599</b>	<b>-13,127</b>	<b>-21,695</b>	<b>-18,299</b>	<b>-7,938</b>	<b>6,139</b>
Net Purchase of FA	-2,274	-1,573	-3,440	-7,433	36,789	0	0
<b>Free Cash Flow</b>	<b>-41,278</b>	<b>-42,172</b>	<b>-16,567</b>	<b>-29,128</b>	<b>18,490</b>	<b>-7,938</b>	<b>6,139</b>
Net Purchase of Invest.	-89,327	41,251	18,025	-6,291	5,304	-6,742	-5,291
<b>Net Cash from Invest.</b>	<b>-91,601</b>	<b>39,678</b>	<b>14,585</b>	<b>-13,724</b>	<b>42,092</b>	<b>-6,742</b>	<b>-5,291</b>
Proc. from equity issues	1,39,058	0	0	45,043	1,00,000	0	0
Proceeds from LTB/STB	-918	0	1,076	-1,643	0	0	0
Others	-1,799	-1,715	-2,304	-4,367	-1,890	-1,800	-1,800
Dividend Payments	0	0	0	0	0	0	0
<b>Cash Flow from Fin.</b>	<b>1,36,341</b>	<b>-1,715</b>	<b>-1,228</b>	<b>39,034</b>	<b>98,110</b>	<b>-1,800</b>	<b>-1,800</b>
<b>Net Cash Flow</b>	<b>5,736</b>	<b>-2,636</b>	<b>229</b>	<b>3,615</b>	<b>1,21,903</b>	<b>-16,480</b>	<b>-952</b>
<b>Opening Cash Bal.</b>	<b>5,225</b>	<b>10,961</b>	<b>8,325</b>	<b>8,691</b>	<b>12,306</b>	<b>1,34,209</b>	<b>1,17,729</b>
Forex differences	0	0	137	0	0	0	0
Add: Net Cash	5,736	-2,636	229	3,615	1,21,903	-16,480	-952
<b>Closing Cash Bal.</b>	<b>10,961</b>	<b>8,325</b>	<b>8,691</b>	<b>12,306</b>	<b>1,34,209</b>	<b>1,17,729</b>	<b>1,16,777</b>

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SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
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