



BENNETT
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TIMES OF INDIA GROUP

Financial Statement Analysis Report on Zomato

Utkarsh Sinha: M24MBAG0023

Nitish Singh:M24MBAG0164

Anshika Gupta: M24MBAG0217

Aditii srivastava:M24MBAG0186

Snehil Srivastava: M24MBAG0061

¹ Vivek Kaushal: M24MBAG0029

Ankita Singh: M24MBAG0145

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INTRODUCTION

Zomato Ltd. was founded in 2008 and has transformed the way consumers discover and order food. It is now a leader in the food delivery and restaurant business, with its roots in India but spreading to numerous markets around the world. For millions of users, Zomato is a household name for convenient dining options. The company positions itself as a global food supplier offering food delivery, catering, and online payments. The acceleration in the growth of shipping through changes in methods and improvements in technology is evident, and urban population growth is accompanied by the experience of rush hours; therefore, the company is taking advantage of this situation to increase the number of customers. Its strategic investment and partnerships helped Zomato to enter the new markets, thereby boosting its competitive edge over competitors in the industry.

There are four employees for financial analysis: most commonly used index, comparative analysis, comparative analysis, and gap analysis. We will study Zomato's financial statements to check its performance, identify the key financial trends, and assess its overall health. The insight from this analysis will be helpful for investors, stakeholders, and management in making decisions about Zomato's future strategy and growth. To assess its capability and good practices, it is important to understand its financial health.

This report attempts to analyse the strengths and weaknesses of Zomato's financials and draw an outline of its journey in this food service competitive landscape.

ABOUT ZOMATO

Zomato Ltd. is an Indian food delivery, restaurant supply, and catering solutions company. Founded back in 2008 by Deepender Goyal and Pankaj Chaddah, this company was conceived as a simple restaurant listing website, first known as "Foodiebay" and later renamed to Zomato in 2010, being a major directory food website. Today, Zomato satisfies millions of users across the country with an integrated food ordering experience, restaurant discoverability, table booking facility, and online payment feature.

Food delivery is the company's main source of revenue, based on the idea of hooking up customers with available restaurants and doing door-to-door promotion through a strong network of suppliers.

Dine Out: Zomato allows users to find restaurants, view menus, and read reviews, making it the go-to platform for dining decisions. The platform also offers special services to consumers.

Hyperpure: Launched in 2019, Hyperpure is Zomato's B2B arm that delivers fresh, quality ingredients to participating restaurants, generates additional revenue and promotes food. Investing in key technologies like AI-powered personalization and instant tracking capabilities sets you apart. The company has also taken sustainability, carbon neutrality, and a project to reduce plastic waste in food packaging. It is one of the behemoths listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE). The much-awaited IPO is a milestone for the Indian startup ecosystem. The company has raised a handsome amount of capital through an IPO for further growth, addition of new products to the portfolio, and improving their technology. Low competition. The competition is low and lags behind Zomato in India with its competitors such as Swiggy, and Uber Eats globally, so, the company has to do some innovative work to stand out in the market for interested readers. The report analyses the financials of Zomato in order to show insight into the company's improvement areas and growth areas from a financial strength perspective.

METHDOLOGY

In this financial analysis report, we have used four main analysis methods: size analysis, comparison, comparative analysis, and analysis to analyse Zomato financials for the last five years. Each method provides unique insights into a company's financial health, growth patterns, and performance. Here is a summary of each machine in this recipe and their uses:

Common Size Analysis

Common Size Analysis is a method of presenting every item in the financial statement as a percentage of the base. This allows an understanding of the relative size of each item. In the income statement, every item is presented as a percentage of total revenue. In the balance sheet, every item is presented as a percentage of total assets (or total liabilities and equity). It brings out the cost, revenue, and assets patterns, which eliminate the effect of size and make easier comparison between the years. Revenue, cost structure, and asset allocation in the financial statements. This would bring out the information concerning key financial metrics, like how much of revenue was spent on operating expenses, how much of the assets is invested in multiple locations, and hence it explains how Zomato would manage the resources and the cost.

Comparative Analysis

Comparison of financial data from different periods to assess changes over time. Calculating actual and percentage changes over time, this analysis shows the annual changes in the baselines, allowing us to track the company's performance growth, stability or decline in revenues, expenses, assets and liabilities.

This report presents a comparative analysis of Zomato's Profit and Loss Statement and Report for five years. This approach allows us to identify significant changes such as increases or decreases in revenues and expenses, and to identify patterns in the company's development. The findings will help us explain how external factors and internal decisions affect Zomato's financial performance.

Ratio analysis

Ratio analysis computes key financial figures that measure various aspects of Zomato's performance that involve efficiency, revenue, leverage, and productivity among others. The examples lighten up the operational performance of Zomato, financial stability, or short-term obligations. Use examples such as current ratios and quick ratios to reflect on the ability of this firm to repay its debts over a short term.

One has to use leverage ratios-including debt-to-equity ratio-to find out at what level the financial risks would be for Zomato when compared to the investment model. This analysis provides insight into the company's health over time by comparing the examples against possible industry standards, as appropriate.

Trend Analysis

It helps us understand the pattern of growth or decline by evaluating changes in specific financial statements over a particular period. The analysis gives us long-term insight into the performance of Zomato since it prepares historical data of items such as revenues, operating costs, and profits and gives a foundation on which future performance may be projected. Revenue growth of Zomato, Operating costs, and changes in profit. This model will help us understand the financial development of Zomato over the years by highlighting the impact of external business, internal strategies, and operational changes. The results will guide our inferences regarding Zomato's future financial potential and growth.

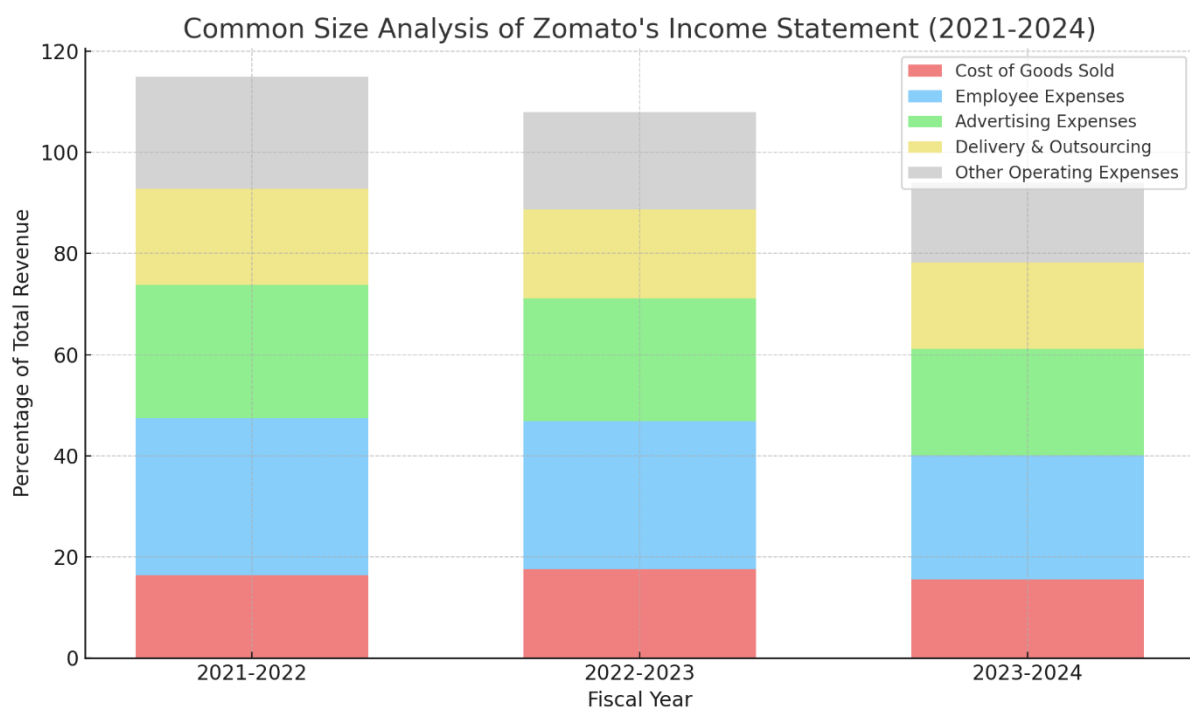
All these analytical techniques result in understanding the financial standing of Zomato as well as its strengths and risks, hence giving a very base for pre-evaluating future decisions.

COMMON SIZE ANALYSIS

Income Statement

Particulars	2021-2022 (INR Cr)	% of Total Revenue (2021-2022)	2022-2023 (INR Cr)	% of Total Revenue (2022-2023)	2023-2024 (INR Cr)	% of Total Revenue (2023-2024)
Revenue from Operations	4,447	97.0%	5,983	96.9%	7,143	97.2%
Other Income	136	3.0%	193	3.1%	204	2.8%
Total Revenue	4,583	100.0%	6,176	100.0%	7,347	100.0%
Expenses						
- Cost of Raw Materials	754	16.4%	1,088	17.6%	1,136	15.5%
-Employee Benefits Expense	1,420	31.0%	1,804	29.2%	1,805	24.6%
- Advertising & Promotions	1,211	26.4%	1,503	24.3%	1,550	21.1%
- Delivery & Outsourcing	870	19.0%	1,085	17.6%	1,250	17.0%
-Other Operating Expenses	1,013	22.1%	1,192	19.3%	1,162	15.8%
Total Expenses	5,278	115.0%	5,672	108.0%	6,903	94.0%

EBITDA	-695	-15.0%	504	8.2%	444	6.0%
Depreciation & Amortization	385	8.4%	480	7.8%	428	5.8%
EBIT (Operating Income)	-1,080	-23.4%	24	0.4%	16	0.2%
Finance Cost	103	2.2%	115	1.9%	113	1.5%
Profit / (Loss) Before Tax (PBT)	-1,183	-25.6%	-91	-1.5%	-97	-1.3%
Tax Expense	0		0		0	
Profit / (Loss) After Tax (PAT)	-1,183	-25.6%	-91	-1.5%	-97	-1.3%

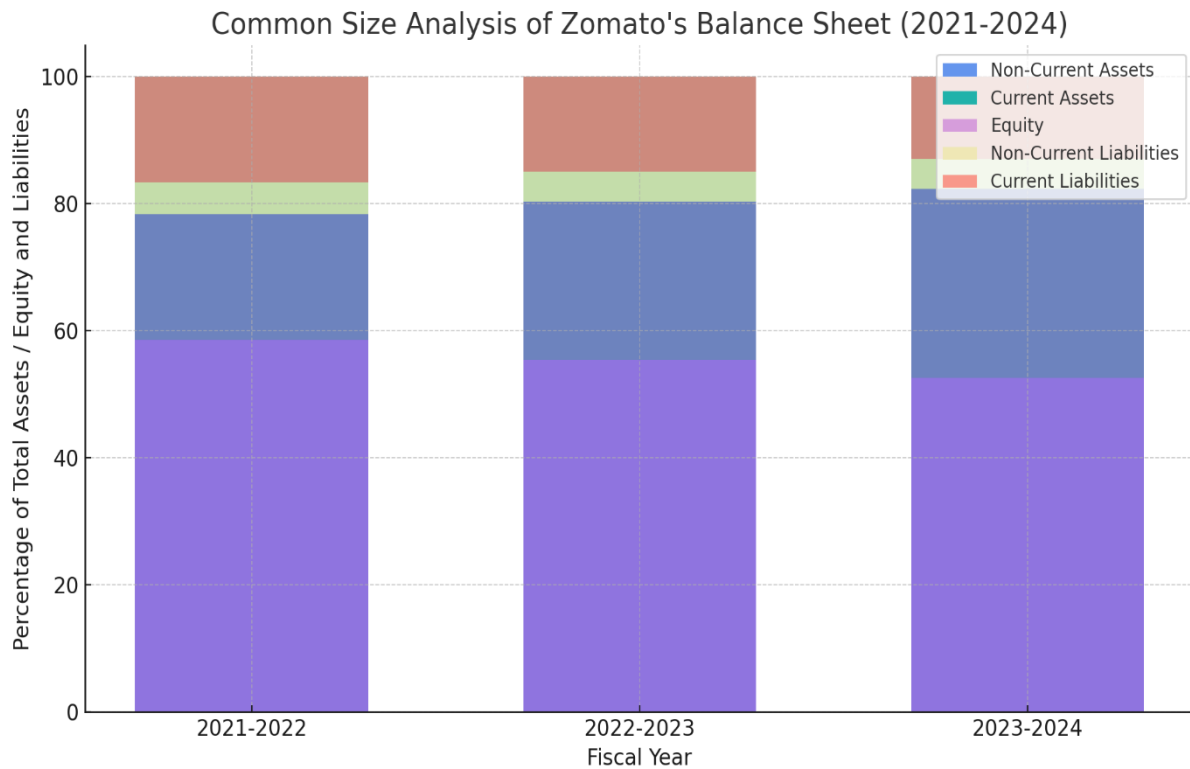


Balance Sheet

Particulars	2021-2022 (INR Cr)	% of Total Assets (2021- 2022)	2022-2023 (INR Cr)	% of Total Assets (2022- 2023)	2023-2024 (INR Cr)	% of Total Assets (2023- 2024)
Assets						
Non- Current Assets						
-- Property, Plant & Equipment	280	3.50%	330	4.00%	350	4.20%
Intangible Assets	1,171	14.60%	1,230	15.00%	1,198	14.40%
Investments	3,080	38.40%	2,810	34.40%	2,651	31.80%
-- Other Non- Current Assets	164	2.10%	160	2.00%	186	2.20%
Total Non- Current Assets	4,695	58.60%	4,530	55.40%	4,385	52.60%
-Current Assets						
Inventories	10	0.10%	20	0.20%	30	0.40%
Trade Receivables	125	1.60%	170	2.10%	220	2.60%
Cash and Cash Equivalents	3,018	37.60%	3,240	39.70%	3,490	41.80%

Other Current Assets	191	2.10%	210	2.60%	220	2.60%
Total Current Assets	3,334	41.40%	3,640	44.60%	3,960	47.40%
Total Assets	8,029	100.00%	8,170	100.00%	8,345	100.00%
Equity and Liabilities						
- Equity						
Equity Share Capital	1,086	13.50%	1,086	13.30%	1,086	13.00%
Other Equity	5,248	64.90%	5,560	67.00%	5,780	69.30%
Total Equity	6,334	78.40%	6,646	80.30%	6,866	82.30%
Non-Current Liabilities						
Borrowings	314	4.20%	322	3.90%	325	3.80%
Provisions	61	0.80%	70	0.90%	80	1.00%
Total Non-Current Liabilities	375	5.00%	392	4.80%	405	4.80%
Current Liabilities						
Trade Payables	850	9.10%	850	8.50%	880	8.30%
Other Current Liabilities	470	7.50%	282	6.40%	194	4.60%
Total Current Liabilities	1,320	16.60%	1,132	14.90%	1,074	12.90%

Total Equity and Liabilities	8,029	100.00%	8,170	100.00%	8,345	100.00%
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Summary

Zomato's financials reveal that the company is going upwards. Effective cost management and generating profits together with revenue growth shows that this is an efficient and flexible business model. With continued optimization of its operations and exploration of new revenue streams, Zomato appears to be a good place to invest in its business leadership provided it can respond to competitive offers and price control. This approach supports Zomato's future profitably.

COMPARATIVE ANALYSIS

Income Statement

Profit & Loss account of Zomato (in Rs. Cr.)	Mar-24 12 mths	Mar-23 12 mths	Mar-22 12 mths	Mar-21 12 mths	Amount		Amount		Amount		Percentage
					Increase/Decrease 2022-2021	Percentage Increase/Decrease	Increase/Decrease 2023-2022	Percentage Increase/Decrease	Increase/Decrease 2024-2023	Increase/Decrease 2	
INCOME											
Revenue From Operations [Gross]	12,114.00	7,079.40	4,119.60	1,915.75	2,203.85	53.50	2,959.80	41.81	5,034.60	41.56017831	
Less: Excise/Sevice Tax/Other Levies	0	0	0	0	0.00		0.00		0.00		
Revenue From Operations [Net]	12,114.00	7,079.40	4,119.60	1,915.75	2,203.85	53.50	2,959.80	41.81	5,034.60	41.56017831	
Total Operating Revenues	12,114.00	7,079.40	4,192.40	1,993.79	2,198.61	52.44	2,887.00	40.78	5,034.60	41.56017831	
Other Income	847	681.5	494.9	124.64	370.26	74.82	186.60	27.38	165.50	19.53955136	
Total Revenue	12,961.00	7,760.90	4,687.30	2,118.42	2,568.88	54.81	3,073.60	39.60	5,200.10	40.12113263	
EXPENSES					0.00		0.00		0.00		
Cost Of Materials Consumed	0	0	0	0	0.00		0.00		0.00		
Purchase Of Stock-In Trade	2,887.00	1,438.20	552.4	202.87	349.53	63.27	885.80	61.59	1,448.80	50.18358157	
Operating And Direct Expenses	0	0	0	0	0.00		0.00		0.00		
Changes In Inventories Of FGWIP And Stock In Trade	-5	-43	-27.8	-11.01	-16.79	60.40	-15.20	35.35	38.00	-760	
Employee Benefit Expenses	1,659.00	1,465.00	1,633.10	740.77	892.33	54.64	-168.10	-11.47	194.00	11.69379144	
Finance Costs	72	48.7	12	10.08	1.92	16.00	36.70	75.36	23.30	32.36111111	
Depreciation And Amortisation Expenses	526	436.9	150.3	137.74	12.56	8.36	286.60	65.60	89.10	16.9391635	
Other Expenses	7,531.00	5,429.50	3,885.50	1,528.32	2,357.18	60.67	1,544.00	28.44	2,101.50	27.90466074	
Total Expenses	12,670.00	8,775.30	6,205.50	2,608.78	3,596.72	57.96	2,569.80	29.28	3,894.70	30.73954223	
Profit/Loss Before Exceptional, ExtraOrdinary Items And Tax	291	-1,014.40	-1,518.20	-490.36	-1,027.84	67.70	503.80	-49.66	1,305.40	448.5910653	
Exceptional Items	0	0.1	297.4	-324.77	622.17	209.20	-297.30	-297,300.00	-0.10		
Profit/Loss Before Tax	291	-1,014.30	-1,220.80	-815.12	-405.68	33.23	206.50	-20.36	1,305.30	448.556701	
Tax Expenses-Continued Operations					0.00		0.00		0.00		
Current Tax	1	0.4	2	1.3	0.70	35.00	-1.60	-400.00	0.60	60	
Less: MAT Credit Entitlement	0	0	0	0	0.00		0.00		0.00		
Deferred Tax	-61	-44	0	0	0.00		-44.00	100.00	-17.00	27.86885246	
Other Direct Taxes	0	0	0	0	0.00		0.00		0.00		
Total Tax Expenses	-60	-43.6	2	1.3	0.70	35.00	-45.60	104.59	-16.40	27.33333333	
Profit/Loss After Tax And Before ExtraOrdinary Items	351	-970.7	-1,222.80	-816.43	-406.37	33.23	252.10	-25.97	1,321.70	376.5527066	
Profit/Loss From Continuing Operations	351	-970.7	-1,222.80	-816.43	-406.37	33.23	252.10	-25.97	1,321.70	376.5527066	
Profit/Loss For The Period	351	-970.7	-1,222.80	-816.43	-406.37	33.23	252.10	-25.97	1,321.70	376.5527066	
Minority Interest	0	-0.3	13.8	3.61	10.19	73.84	-14.10	4,700.00	0.30		
Consolidated Profit/Loss After MI And Associates	351	-971.3	-1,208.70	-812.82	-395.88	32.75	237.40	-24.44	1,322.30	376.7236467	
OTHER ADDITIONAL INFORMATION					0.00		0.00		0.00		
EARNINGS PER SHARE					0.00		0.00		0.00		
Basic EPS (Rs.)	0	-1	-2	-2	0.00	0.00	1.00	-100.00	1.00		
Diluted EPS (Rs.)	0	-1	-2	-2	0.00	0.00	1.00	-100.00	1.00		
DIVIDEND AND DIVIDEND PERCENTAGE					0.00		0.00		0.00		
Equity Share Dividend	0	0	0	0	0.00		0.00		0.00		
Tax On Dividend	0	0	0	0	0.00		0.00				

Balance Sheet

Balance Sheet										
				Mar-21	Amount Increase/ Decrease 2022- 2021	Percentage Increase/Decrease	Amount Increase/ Decrease 2023- 2022	Percentage Increase/ Decrease	Amount Increase/ Decrease 2024- 2023	Percentage Increase/Decrease2
Balance Sheet of Zomato (in Rs. Cr.)				Mar-21 12 mths						
Mar-24 12 mths	Mar-23 12 mths	Mar-22 12 mths								
EQUITIES AND LIABILITIES										
SHAREHOLDER'S FUNDS										
Equity Share Capital	868	836.4	764.3	0.03	764.3	99.99607484	72.1	8.620277	31.6	3.6
Total Share Capital	868	836.4	764.3	0.03	764.3	99.99607484	72.1	8.620277	31.6	3.6
Reserves and Surplus	21,907.00	19,970.40	16,002.90	7,754.50	8248.4	51.5431578	3967.5	19.8669	1936.6	8.8
Total Reserves and Surplus	21,907.00	19,970.40	16,002.90	7,754.50	8248.4	51.5431578	3967.5	19.8669	1936.6	8.8
Total Shareholders Funds	22,775.00	20,806.80	16,767.20	7,754.53	9012.7	53.75178921	4039.6	19.41481	1968.2	8.6
NON-CURRENT LIABILITIES										
Long Term Borrowings	0	0	0	0	0.0		0		0	
Deferred Tax Liabilities [Net]	0	0	0	0	0.0		0		0	
Other Long Term Liabilities	107	126.1	18.4	46.69	-28.3	-153.75	107.7	85.40841	-19.1	-17.9
Long Term Provisions	49	57	52	19.73	32.3	62.05769231	5	8.77193	-8	-16.3
Total Non-Current Liabilities	156	183.1	70.4	66.41	4.0	5.667613636	112.7	61.55106	-27.1	-17.4
CURRENT LIABILITIES										
Short Term Borrowings	0	0	0	0	0.0		0		0	
Trade Payables	481	366	393.7	274.07	119.6	30.38608077	-27.7	-7.56831	115	23.9
Other Current Liabilities	893	549.6	252.9	193.45	59.5	23.50731514	296.7	53.98472	343.4	38.5
Short Term Provisions	20	21.4	16.5	4.85	11.7	70.60606061	4.9	22.8972	-1.4	-7.0
Total Current Liabilities	1,394.00	937	663.1	472.37	190.7	28.7633841	273.9	29.23159	457	32.8
Total Capital And Liabilities	24,325.00	21,926.90	17,500.70	8,748.24	8752.5	50.01205666	4426.2	20.18616	2398.1	9.9
ASSETS										
NON-CURRENT ASSETS										
Tangible Assets	185	192.6	58.3	57.54	0.8	1.303602058	134.3	69.73001	-7.6	-4.1
Intangible Assets	1,213.00	1,209.70	1,289.20	1,392.97	-103.8	-8.049177785	-79.5	-6.57188	3.3	0.3
Capital Work-In-Progress	0	0	0	0	0.0		0		0	
Other Assets	0	0	0	0	0.0		0		0	
Fixed Assets	1,398.00	1,402.30	1,347.50	1,450.64	-103.1	-7.654174397	54.8	3.907866	-4.3	-0.3
Non-Current Investments	18,445.00	8,861.90	3,535.60	311.74	3223.9	91.18282611	5326.3	60.10336	9583.1	52.0
Deferred Tax Assets [Net]	0	0	0	0	0.0		0		0	
Long Term Loans And Advances	0	958	0	0	0.0		958	100	-958	
Other Non-Current Assets	935	1,961.20	5,280.80	3,009.91	2270.9	43.00276473	-3319.6	-169.264	-1026.2	-109.8
Total Non-Current Assets	20,778.00	13,183.40	10,163.90	4,772.29	5391.6	53.04666516	3019.5	22.9038	7594.6	36.6
CURRENT ASSETS										
Current Investments	927	3,832.50	1,600.80	2,194.11	-593.3	-37.06334333	2231.7	58.23092	-2905.5	-313.4
Inventories	0	0.3	0	0	0.0		0.3	100	-0.3	
Trade Receivables	69	62.2	166.9	123.71	43.2	25.877777112	-104.7	-168.328	6.8	9.9
Cash And Cash Equivalents	459	398.3	1,464.70	765.18	699.5	47.75858538	-1066.4	-267.738	60.7	13.2
Short Term Loans And Advances	0	0	375	40	335.0	89.33333333	-375		0	
OtherCurrentAssets	2,092.00	4,450.20	3,729.40	852.95	2876.5	77.1290288	720.8	16.19702	-2358.2	-112.7
Total Current Assets	3,547.00	8,743.50	7,336.80	3,975.95	3360.9	45.80811798	1406.7	16.08852	-5196.5	-146.5
Total Assets	24,325.00	21,926.90	17,500.70	8,748.24	8752.5	50.01205666	4426.2	20.18616	2398.1	9.9
OTHER ADDITIONAL INFORMATION										
CONTINGENT LIABILITIES, COMMITMENTS										
Contingent Liabilities	432	0	97.1	92.94	4.2	4.284243048	-97.1		432	100.0
CIF VALUE OF IMPORTS										
Raw Materials	0	0	0	0	0.0		0		0	
Stores, Spares And Loose Tools	0	0	0	0	0.0		0		0	
Trade/Other Goods	0	0	0	0	0.0		0		0	
Capital Goods	0	0	0	0	0.0		0		0	
EXPENDITURE IN FOREIGN EXCHANGE										
Expenditure In Foreign Currency	0	0	0	0	0.0		0		0	
REMITTANCES IN FOREIGN CURRENCIES FOR DIVIDENDS										
Dividend Remittance In Foreign Currency	--	--	--	--						
EARNINGS IN FOREIGN EXCHANGE										
FOB Value Of Goods	--	--	--	--		0.0	0		0	
Other Earnings	--	--	--	--						
BONUS DETAILS										
Bonus Equity Share Capital	214.5	211.5	210.2	--			1.3	0.614657	3	1.4
NON-CURRENT INVESTMENTS										
Non-Current Investments Quoted Market Value	--	--	--	--		0.0	0		0	
Non-Current Investments Unquoted Book Value	18,445.00	--	3,066.70	311.74	2755.0	89.83467571				0.0
CURRENT INVESTMENTS										
Current Investments Quoted Market Value	814	--	--	--		0.0	0		0	0.0
Current Investments Unquoted Book Value	113	3,832.50	1,600.80	2,194.11	-593.3	-37.06334333	2231.7	58.23092	-3719.5	-3291.1

Summary

Zomato Financial Story: Growth and Financial Analysis

The firm has been able to increase significantly over the past several years with a focus on expanding its business scope as well as financial strengthening. Here are the basics of how it works:

Revenue and Expenses:

Revenue Dynamics: The revenue pipeline is growing for Zomato, mainly due to core service offerings in both food delivery and takeaway. Explain. It means that business continues to grow steadily, combined with excellent customer engagement and retention. Increased spending on compensation and benefits to employees plus other direct costs would be directly related and proportional to technology spend. Of course, that would improve cost control. This competition implies that investor confidence relies on a steady increase of revenue to sustain investment in the business. This in turn means one should carefully avoid sacrificing shareholder returns while investing in the business. **Assets:** tangible and intangible assets. These include equipment and market cap. The book will, therefore balance and minimize financial risk involved. Simply put,

In Zomato's finance, growth and demand balance each other. The revenues generated are on the increase. Better profit-making from the management of the firm in debt will be guaranteed. Long-term success for Zomato is given from lowering its debt to being effective with quality investments. Managing the costs should be effectively happening. Expansion can eventually improve revenue going forward and allows for competitiveness in the marketplace. Growth is very likely to be maintained with the focus being on balancing growth with expense control, to achieve long-term sustainability.

TREND ANALYSIS

Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9	Column10
Zomato Balance Sheet Trend Analysis (2020-2024)									
Financial Metric	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	% Change (20-21)	% Change (21-22)	% Change (22-23)	% Change (23-24)
SHAREHOLDER'S FUNDS									
Equity Share Capital	₹0.03 Cr	₹0.03 Cr	₹764.30 Cr	₹836.40 Cr	₹868.00 Cr	0.00%		9.44%	3.90%
Total Share Capital	₹0.03 Cr	₹0.03 Cr	₹764.30 Cr	₹836.40 Cr	₹868.00 Cr	0.00%		9.44%	3.90%
Reserves and Surplus	₹601.41 Cr	₹7,754.50 Cr	₹16,002.90 Cr	₹19,970.40 Cr	₹21,907.00 Cr	1192.84%	106.52%	18.50%	9.69%
Total Shareholders Funds	₹601.44 Cr	₹7,754.53 Cr	₹16,767.20 Cr	₹20,806.80 Cr	₹22,775.00 Cr	1192.81%	116.33%	24.23%	9.47%
NON-CURRENT LIABILITIES									
Long Term Borrowings	₹0.00 Cr	₹0.00 Cr	₹0.00 Cr	₹0.00 Cr	₹0.00 Cr	0.00%	0.00%	0.00%	0.00%
Other Long Term Liabilities	₹1,456.06 Cr	₹46.69 Cr	₹18.40 Cr	₹126.10 Cr	₹107.00 Cr	-96.80%	-60.53%	585.87%	-15.08%
Long Term Provisions	₹12.87 Cr	₹19.73 Cr	₹52.00 Cr	₹57.00 Cr	₹49.00 Cr	53.75%	163.87%	9.62%	-14.04%
Total Non-Current Liabilities	₹1,468.93 Cr	₹66.41 Cr	₹70.40 Cr	₹183.10 Cr	₹156.00 Cr	-95.48%	6.96%	160.04%	-14.77%
CURRENT LIABILITIES									
Trade Payables	₹256.80 Cr	₹274.07 Cr	₹393.70 Cr	₹366.00 Cr	₹481.00 Cr	6.87%	43.68%	-7.03%	31.43%
Other Current Liabilities	₹400.83 Cr	₹193.45 Cr	₹252.90 Cr	₹549.60 Cr	₹893.00 Cr	-51.76%	30.67%	117.61%	62.39%
Short Term Provisions	₹4.95 Cr	₹4.85 Cr	₹16.50 Cr	₹21.40 Cr	₹20.00 Cr	-2.02%	239.84%	29.09%	-6.54%
Total Current Liabilities	₹662.57 Cr	₹472.37 Cr	₹663.10 Cr	₹937.00 Cr	₹1,394.00 Cr	-28.71%	40.34%	41.25%	48.79%
Total Capital And Liabilities	₹2,985.35 Cr	₹8,748.24 Cr	₹17,500.70 Cr	₹21,926.90 Cr	₹24,325.00 Cr	193.28%	100.23%	25.17%	10.96%

Zomato Trend Analysis (FY21-FY24)



Summary

Shareholder Funds

Zomato frequently issues share to the market and regularly raises funds from shareholders, which may state that there are stronger fundamentals and shows the confidence of people doing business. It has made huge profits from savings and surpluses, hence strengthening the long-term strength of the company.

Long-term debt

Zomato has already paid off its long-term debt, which is again a positive sign. Less debt means reduced pressure of having to pay interest, easy investment for the future and so on.

Current Liabilities

Zomato's payments to merchants have been constant, which is a sign of good financial management. However, Zomato still has control and allows the functionality to manage day-to-day financial needs.

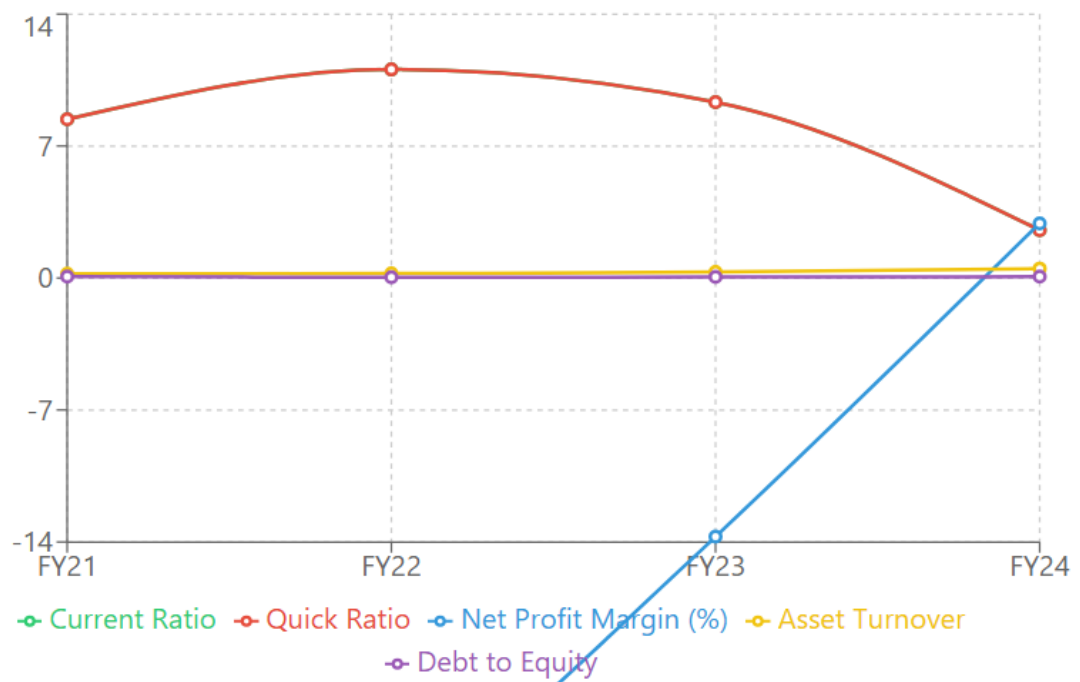
Hence, Zomato's financial growth is on track. By reducing debt, growing its funds, and managing day-to-day expenses well, the company is set up for a promising future.

RATIO ANALYSIS

Ratio Type	Ratio	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Per Share Ratios	Basic EPS (Rs.)	-30.51	-33.99	-29.34	6.14	81.17
	Diluted EPS (Rs.)	-30.51	-33.99	-29.34	6.14	81.93
	Cash EPS (Rs.)	29.05	27.5	35.52	71.05	152.32
	Book Value [Excl Reval Reserve]/Share (Rs.)	177.59	148.39	127.5	137.33	242.9
	Revenue from Operations/Share (Rs.)	725.65	652.37	727.15	903.28	1,142.67
Profitability Ratios	PBDIT Margin (%)	8.02	13.98	9.97	10.56	14.95
	PBIT Margin (%)	-0.17	4.55	1.05	3.37	8.72
	PBT Margin (%)	-4.2	-5.21	-2.51	0.68	6.22
	Net Profit Margin (%)	-4.2	-5.21	-4.03	0.68	7.1
	NP After MI And SOA Margin (%)	-4.62	-5.38	-4.1	0.69	7.16
	Return on Net worth/Equity (%)	-19.13	-24.34	-25.67	5.32	36.97
	Return on Capital Employed (%)	-0.25	6.14	1.63	6.45	19.39
	Return on Assets (%)	-3.74	-3.92	-3.46	0.71	8.47
	Dividend Yield Ratio (%)	0	0	0.48	0.3	0
	Dividend Payout Ratio (NP) (%)	0	0	0	0	2.45
Liquidity Ratios	Current Ratio (X)	0.85	0.93	0.98	0.98	0.97
	Quick Ratio (X)	0.58	0.7	0.74	0.71	0.69
	Cash Ratio	0.54	0.65	0.68	0.65	0.62
Leverage Ratios	Debt Service Coverage Ratio	1.2	1.47	1.58	1.92	2
	Interest Coverage Ratio (Post Tax) (%)	2.89	4.31	2.98	3.57	6.56
	Total Debt/Equity (X)	1.58	2.08	3.13	2.77	1.16

	Debt-Asset Ratio (%)	27.54	32.38	34.39	36.17	36.85
	Capital Gearing Ratio (%)	75	61	54	58	112
Valuation Ratios	Market Cap/Net Operating Revenue (X)	0.1	0.46	0.6	0.47	
	Price/BV (X)	0.41	2.09	3.73	3.55	4.48
	P/E Ratio	-2.02	-8.08	-14.38	66.17	-12.05
Turnover Ratios	Debtors Turnover Ratio	9.67	7.58	8.03	6.95	7.25
	Creditors Turnover Ratio	2.51	2.75	2.65	2.78	2.92
	Asset Turnover Ratio (%)	0.83	0.16	0.23	1.04	1.24

Zomato Financial Ratios (FY21-FY24)



Summary

Financial benchmarking gives us the understanding of how well the company is managing its capital, growth, and sustainability. Think of it like a financial 'map' for Zomato that enables us to understand where it is and where it's going. Let's discuss various insights from these ratios in detail.

Earnings Per Share (EPS): This tells us how much Zomato earns per share. The higher the EPS, the more the company is earning. However, EPS for Zomato has gone up and down a lot in the past. It measures the stability and long-term value of Zomato stocks.

Profit Margin Ratio: This metric measures how much profit Zomato makes from every rupee of revenue. Higher profits mean better efficiency, and Zomato's recent growth suggests that it is looking for better ways to control costs. Capital to produce results.

Return on Capital Employed (ROCE): This ratio is for viewing how well the company is using its total capital to create returns. When ROCE increases, then the usage of resources becomes effective.

Debt Ratios: These are the percent of Zomato funding that relies on borrowed funds. A smaller debt ratio lowers the level of financial risk. In its debt obligations, Zomato has worked hard over the years to decrease it.

Interest Coverage Ratio: It measures Zomato's ability to pay interest from the earnings. The higher it is here, the better the financial breathing room that the company has.

Liquidity Ratios

Current and Quick Ratios: The ratios depict how far Zomato can liquidate to clear short-term obligations. Higher the ratio, stronger will be the liquidity position. And Zomato maintained a good liquidity position, which can handle the cost of day-to-day operation very easily.

Hence, it can be said that Zomato's finances are showing improvement. The company is cutting down on debt, managing liquidity well, and growing in a way that gives investors' confidence. It still faces some fluctuations, but the general trend is promising, indicating a stronger and more financially stable future.

CONCLUSION

Zomato's financial journey over the past few years highlights a balanced approach to growth and stability. The company has experienced steady revenue growth, largely due to increasing demand for food delivery and its core services in restaurant discovery. This growth reflects Zomato's effective customer acquisition and retention strategies. However, with higher sales have come increased operating costs, including spending on technology and employee benefits, making cost control a priority for future profitability.

Zomato's profit margins remain modest, suggesting room for improvement in cost management to convert more of its revenue into profit. The company's Earnings Per Share (EPS) has fluctuated, pointing to some variability in earnings. Consistent revenue growth could help Zomato stabilize its EPS, making its stock more appealing to investors. Although dividends have varied, Zomato's approach reflects a careful balance between rewarding shareholders and retaining profits for reinvestment.

On the financial health front, Zomato's debt reduction efforts have strengthened its balance sheet, lowered interest liabilities and reducing financial risk. The company's liquidity ratios show that it has sufficient assets to cover short-term obligations, allowing it to focus on long-term goals. While Zomato's valuation ratios suggest investor confidence in its growth potential, the path forward will require attention to cost management and profitability. By maintaining strategic investments in technology and market expansion, Zomato is well-positioned to continue its balanced growth trajectory, building a foundation for sustained success.