

**A) Industry Analysis:**

**1. Online food delivery:**

- a) Average order value in 2023 is approximately Rs. 425 (Pre discount price including taxes)  
Globally as well, PPP-adjusted AOVs are significantly higher at ₹600-650 and ₹750-800 in the USA and UK, respectively, signaling clear headroom to grow in the future.
- b) Of the total market in 2023, the share of top 60 cities (metro and Tier 1) is 75-80% which shows the large untapped potential beyond these cities which will drive growth.
- c) 80-85 million Annual Transacting Users (“ATUs”) in 2023. Notably, a substantial 25-29% of ATUs are Monthly Transacting Users (“MTUs”) in 2023 which is expected to increase to 27-32% by 2028.

**2. Indian Retail Market and Emergence of quick Commerce:**

- a) Current quick commerce market is around Rs. 22,400 Cr. in 2023 which is expected to grow by CAGR of 60-80% to reach Rs. 2.3-4.2 trillion by 2028.
- b) Average order value in Quick Commerce is Rs. 529.

**B) Business Model:**

Swiggy operates as a consumer-focused technology platform that offers various services, including:

- a) Food Delivery
- b) Quick Commerce
- c) Out of home consumption (Dineout)
- d) Supply chain and distribution
- e) Platform innovations (pick up and drop off service)

Particulars	For 3 months ended 30 June 2024	FY 2024
<b>(A) Food Delivery</b>		
Gross Order Value	6,808.34 Cr.	24,717.44 Cr.
Gross Revenue	1,729.63 Cr.	6,081.55 Cr.
Contribution Margin (as a percentage of GOV)	6.40%	5.72%
<b>(B) Quick Commerce</b>		
Gross Order Value	2,724.04 Cr.	8,068.56 Cr.
Gross Revenue	403.38 Cr.	1,087.70 Cr.

Contribution Margin (as a percentage of GOV)	(3.18%)	(6.01%)
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Particulars	For 3 months ended 30 June 2024
Food Delivery Average Monthly Transacting Restaurant Partners	223,671
Active Dark Stores	557
Average Monthly Transacting Delivery Partners	457,249

### C) Risks in the business:

- Financial Losses and Negative Cash Flows.
- High Competition
- Dependence on third-party suppliers for inventory in dark stores due to FDI rules.
- Regulatory and Compliance Risks

### D) Financials:

Particulars	For 3 months ended June 30, 2024	FY 2023-24	FY 2022-23	FY 2021-22
<b>Revenue</b>	3,222.21 Cr.	11,247.39 Cr.	8,264.59 Cr.	5,704.89 Cr.
<b>EBITDA</b>	(469.50) Cr.	(1,858.25) Cr.	(3,835.32) Cr.	(3,237.22) Cr.
<b>EBITDA Margin</b>	(14.57%)	(16.52%)	(46.40%)	(56.74%)
<b>PAT</b>	(611) Cr.	(2,350.24) Cr.	(4,179.30) Cr.	(3,628.89) Cr.
<b>PAT Margins</b>	(18.96%)	(20.89%)	(50.57%)	(63.61%)
<b>CFOA</b>	(516.62) Cr.	(1,312.73) Cr.	(4,059.90) Cr.	(3,900.38) Cr.

**E) Peer Analysis:**
**FY 2024**

Particulars	Gross order value	Contribution Margin (as a percentage of GOV)	Average order value	Revenue	Mcap	PE Ratio
<b>Swiggy</b>				11,247.39 Cr.	87298 Cr.	Loss Making
Food Delivery	24,717.44 Cr.	5.72%	428			
Quick Commerce	8,068.56 Cr.	(6.01%)	460			
<b>Zomato</b>				12,114 Cr.	2,20,025 Cr.	297
Food Delivery	32,224 Cr.	6.90%	428			
Quick Commerce	12,469 Cr.	2.13%	613			

**F) Conclusion:**

Swiggy's IPO offers investors a diversified alternative to Zomato, with strengths in grocery and hyperlocal services. While Swiggy has broader offerings, Zomato benefits from established public visibility and profitability focus. Swiggy presents growth potential but faces higher operational cost challenges compared to Zomato.