IPO NOTE

SWIGGY

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A route to making money online

SWIGGY LIMITED

05.11.2024

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Canara Bank Securities Ltd
A Wholly Owned Subsidiary Of Canara Bank

- Swiggy is a new-age, consumer-first technology company offering users an easy-to-use convenience platform, accessible through a unified app - to browse, select, order and pay for food ("Food Delivery"), grocery and household items ("Instamart"), and have their orders delivered to their doorstep through their on-demand delivery partner network.
- Their platform can be used to make restaurant reservations ("Dineout") and event bookings ("SteppinOut"), offer product pick-up/ dropoff services ("Genie") and engage in other hyperlocal commerce activities (Swiggy Minis, among others).
- Being among the first hyperlocal commerce platforms, Swiggy has successfully pioneered the industry in India, launching Food Delivery in 2014 and Quick Commerce in 2020, due to the pioneering status of Swiggy, it is well-recognised as a leader in innovation in hyperlocal commerce and as a brand synonymous with the categories it is present in.
- They augment the value proposition to users through their membership programme called "Swiggy One" providing discounts and offers; in-app payment solutions like digital wallet "Swiggy Money" (a pre-paid payments instrument), "Swiggy UPI", and Swiggy-HDFC Bank credit card for additional benefits.
- They offer comprehensive business enablement solutions to restaurant partners, merchant partners (that sell grocery and household items on their platform) and brand partners including their alliance partners such as analytics-backed tools to enhance their online presence and user base; fulfilment services for streamlining their supply chain operations; and last-mile delivery.
- They cater to users' needs for ease, immediacy, quality, variety, reliability and consistency in their food, grocery and household items consumption and other hyperlocal commerce needs.
- Although the Food Delivery and Quick Commerce categories in India are large addressable markets that are witnessing rapid online penetration, they are relatively nascent and have high growth headroom.
- Due to high frequency, habit formation and recall value, these categories have the potential to unlock additional revenue through the monetisation of ancillary services, as per the Redseer Report.
- Their experience, execution capability, network of users and partners, and innovation-led approach position them well to tap into this growing market opportunity.

Issue Details

Price Band (in ₹ per share)	371-390
Issue size (in ₹ Crore)	10994.76-11327.43
Fresh Issue (in ₹ Crore)	4499.00
OFS (in ₹ Crore)	6495.76-6828.43
Issue open date	06.11.2024
Issue close date	08.11.2024
Tentative date of Allotment	11.11.2024
Tentative date of Listing	13.11.2024
Total number of shares (lakhs)	2964.05-2904.95
No. of shares for QIBs (75%) (lakhs)	2217.41-2173.09
No. of shares for NII (15%) (lakhs)	443.48-434.62
No. of shares for S-HNI (33%)(lakhs)	147.83-144.87
No. of shares for B-HNI (66%)(lakhs)	295.66-289.74
No. of shares for retail investors (10%) (lakhs)	295.66-289.74
No of shares for Employee Reservation (lakhs)	7.50
Minimum order quantity	38
Face value (in ₹)	1.00
Amount for retail investors (1 lot) (in ₹)	14098-14820
Maximum no. of shares for Retail investors at Lower Band	532 (14 lots)
Maximum no. of shares for Retail investors at Upper Band	494 (13 lots)
Maximum amount for retail investors at lower band - upper band (in ₹)	197372-192660
Minimum no. of shares for sHNI (2 Lakhs) at upper band	532 (14 lots)
Maximum no. of shares for sHNI (10 Lakhs) at upper band	2546 (67 lots)
Minimum number of shares for bHNI at upper band	2584 (68 lots)
Exchanges to be listed on	BSE & NSE

Promoters

- PROFESSIONALLY MANAGED

Objects of the Offer

The net proceeds of the Fresh Issue are proposed to be utilised in the following manner:

- Investment in the Material Subsidiary, Scootsy, for repayment or pre-payment, in full or in part, of certain or all of its borrowings;
- Investment in the Material Subsidiary, Scootsy, for (a) expansion of Dark Store network for Quick Commerce segment through setting up of Dark Stores; and (b) making lease/license payments for Dark Stores;
- Investment in technology and cloud infrastructure;
- Brand marketing and business promotion expenses for enhancing the brand awareness and visibility of its platform, across segments; and
- Funding inorganic growth through unidentified acquisitions and general corporate purposes.

BRIEF FINANCIALS

PARTICULARS (Rs. Cr) *	Q1FY25	FY24	FY23	FY22
Share Capital	3.81	3.00	2.65	0.85
Net Worth	7444.99	7791.46	9056.61	12266.91
Revenue from Operations	3222.21	11247.39	8264.59	5704.89
EBITDA	(469.50)	(1858.25)	(3835.32)	(3410.43)
EBITDA Margin Calc(%)	(15%)	(17%)	(46%)	(60%)
Adjusted EBITDA	(284.92)	(1611.74)	(3741.87)	(3137.67)
Profit/(Loss) After Tax	(611.01)	(2350.24)	(4179.30)	(3628.89)
EPS (in Rs.)	(2.76)	(10.70)	(19.33)	(18.62)
Net Asset Value (in Rs.)	33.61	35.48	41.88	62.96
Total Borrowing	256.61	211.18	NA	NA
P/E#	NA	NA	NA	NA
P/B#	11.60	10.99	NA	NA

**Restated consolidated financials; #Calculated at upper price band; Adjusted EBITDA is after adding back-based payments, Exceptional items and share in net loss of an associate.*

Particulars (In Crores)	FY2022	FY2023	FY2024
INCOME			
Revenue from operations	5704.90	8264.60	11247.39
Other income	414.88	449.86	386.96
Total Income	**6,119.78**	**8,714.45**	**11,634.35**
YoY Growth (%)	-	44.87%	36.09%
Employee benefit expenses	1708.49	2129.82	2012.16
Employee Expenses-% of Revenue	27.92%	24.44%	17.30%
Cost of materials consumed	51.05	72.00	61.08
Cost of materials consumed-% of Revenue	0.83%	0.83%	0.53%
Purchases of stock-in-trade	2224.54	3301.95	4554.75
Purchases of stock-in-trade-% of Revenue	36.35%	37.89%	39.15%
Other Expenses			
Advertising and sales promotion	2005.07	2501.16	1850.80
Delivery and related charges	2068.81	2834.94	3351.06
Others	1305.56	1693.62	1637.18
EBIDTA	**-3410.43**	**-3835.32**	**-1858.25**
EBIDTA Margin (%)	-59.78%	-46.41%	-16.52%
Depreciation and amortisation expense	170.09	285.79	420.59
EBIT	**-3580.52**	**-4121.10**	**-2278.83**
EBIT Margin (%)	-62.76%	-49.86%	-20.26%
Finance cost	48.38	58.19	71.40
Loss before share of loss of an associate, exceptional items and tax	-3454.68	-4169.95	-2313.04
Share in net loss of an associate	-1.02	-0.10	-6.61
Loss before exceptional items and tax	-3455.69	-4170.04	-2319.64
Exceptional items	-173.20	-9.26	-30.59
Loss before tax	**-3628.894**	**-4179.296**	**-2350.234**
Tax expenses	NA	NA	NA
Current tax			
Deferred Tax			
Total tax expenses			
Profit for the year	**-3628.89**	**-4179.30**	**-2350.23**
PAT Margin (%)	-63.61%	-50.57%	-20.90%
Earnings per share			
Basic earnings per share (₹)	-18.62	-19.33	-10.7

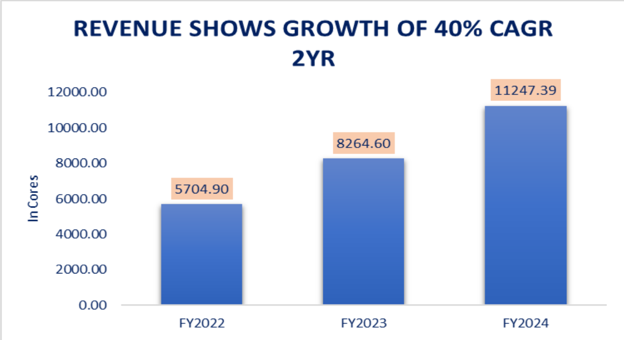
Cashflow Statement

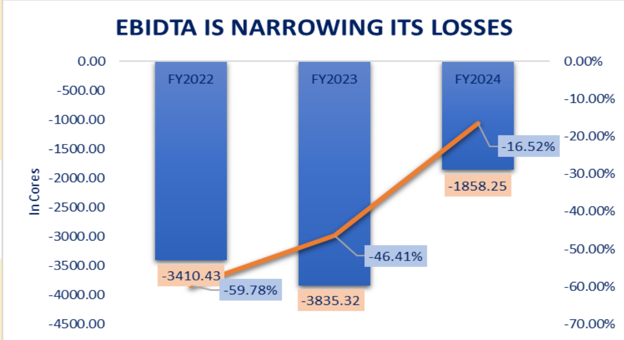
Particulars (In Crores)	FY2022	FY2023	FY2024
Cash generated from operating activities	-3841.35	-4014.98	-1316.54
Income tax paid (net of refunds)	-59.04	-44.93	3.80
Net cash generated from operating activities	-3900.39	-4059.91	-1312.74
Net cash used in investing activities	-9160.14	3967.85	1458.46
Net cash used in financing activities	13634.15	-171.55	-122.80
Net increase/ (decrease) in cash and cash equivalents	**573.62**	**-263.61**	**22.93**
Cash and cash equivalent as at 1 April			13.66
Effect of movement in exchange rates on cash and cash equivalents	522.51	1096.13	832.52
Cash and cash equivalent as at year end	**1096.13**	**832.52**	**869.11**

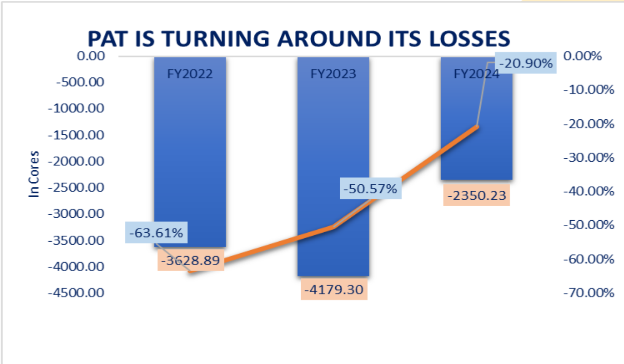
Balance Sheet

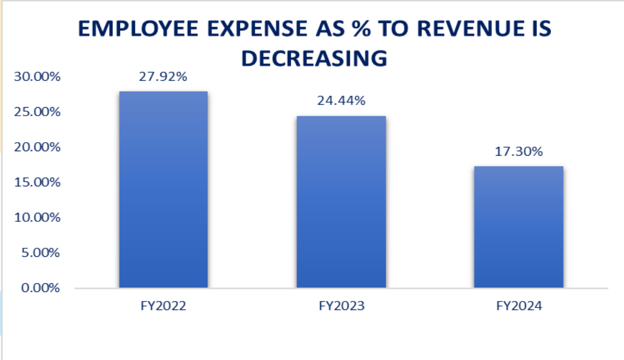
Particulars (In Crores)	FY2022	FY2023	FY2024
Assets			
Non-current assets			
Property, plant and equipment	311.58	313.75	452.79
Right-of-use assets	462.21	545.83	587.80
Goodwill	10.92	325.77	696.47
Other intabgible assets	16.27	319.74	304.31
Investment in associates	-	66.97	60.36
Financial Assets			
Investments	1280.02	1616.40	1382.28
Other financial assets	57.30	80.55	94.89
Income tax assets	109.17	157.45	160.30
Other assets	24.64	31.49	53.60
Total non- current assets	**2272.11**	**3457.95**	**3792.79**
Current assets			
Inventories	17.74	10.64	48.69
Financial assets			
Investments	9067.98	4857.15	3728.47
Trade receivables	1111.93	1062.35	963.85
Cash and cash equivalents	1096.13	832.52	887.05
Bank balances other than cash and cash equivalents	7.74	31.40	3.80
Other financial assets	319.85	651.87	826.80
Other assets	512.25	376.77	277.97
Total Current Assets	**12133.63**	**7822.70**	**6736.63**
Total assets	**14405.74**	**11280.65**	**10529.42**
Equity and liabilities			
Equity			
Equity share capital	0.86	2.66	3.01
Instruments entirely equity in nature	15562.54	15562.54	15573.26
Other equity	-3296.49	-6508.59	-7784.81
Total equity	**12266.91**	**9056.61**	**7791.46**
Liabilities			
Non-Current liabilities			
Financial liabilities			
Borrowings	-	-	95.98
Lease liabilities	408.67	444.58	467.06
Other financial liabilities	18.59	37.44	-
Contract liabilities	-	-	29.01
Provisions	27.72	38.49	39.11
Total Non-Current liabilities	**454.98**	**520.51**	**631.16**
Current liabilities			
Financial liabilities			
Borrowings	-	-	115.21
Lease Liabilities	99.54	155.02	185.95
Trade payables	956.14	873.17	880.90
Other financial liabilities	382.66	391.66	639.42
Contract liabilities	22.69	35.04	20.94
Other current liabilities	162.22	166.69	185.67
Provision	60.59	81.94	78.73
Total Current liabilities	**1683.85**	**1703.53**	**2106.80**
Total liabilities	**2138.82**	**2224.03**	**2737.96**
Total equity and liabilities	**14405.74**	**11280.65**	**10529.42**

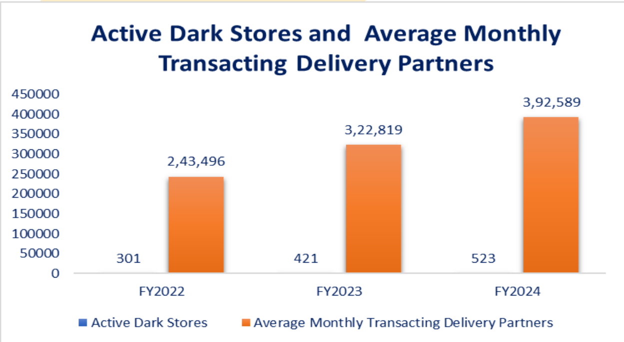
PERFORMANCE

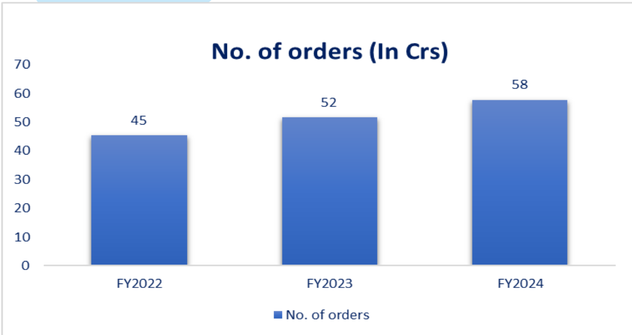


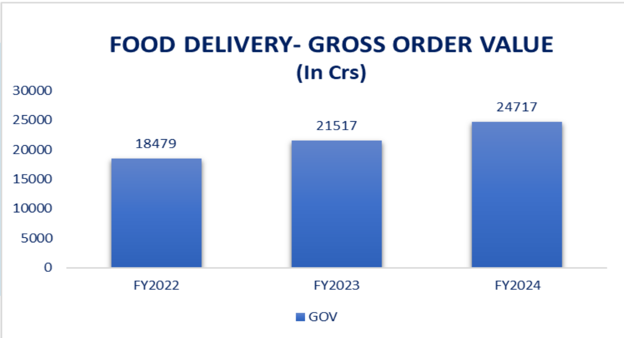


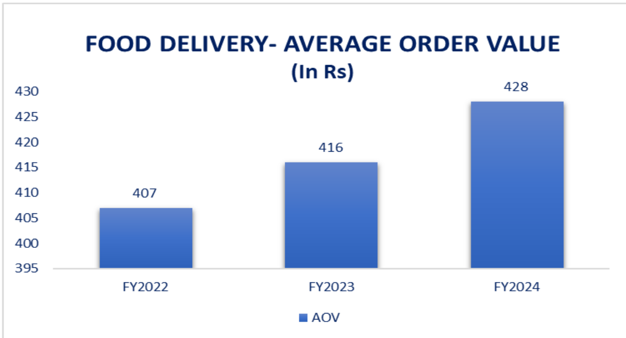


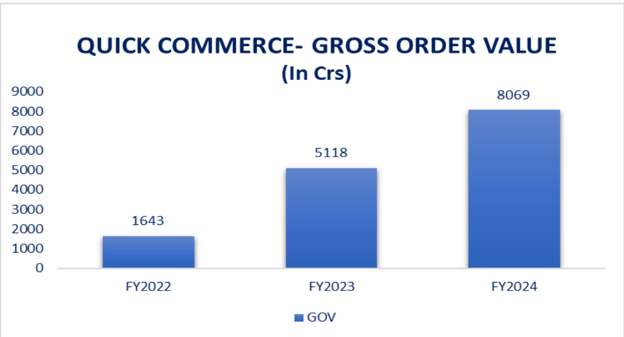


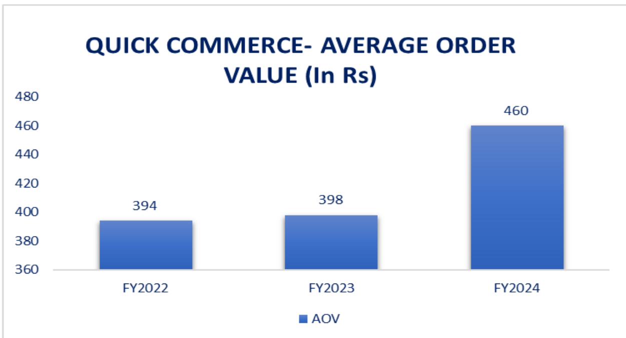












INDUSTRY REVIEW

Growth in Digital Consumers;

- Evolving demographic structures are leading Indian consumers to not only shop more but also increasingly choose digital channels for their purchases. As a result, online commerce platforms have already reached over 950 cities, each with a population of over 50,000 people.
- This shift allows consumer-first technology platforms to engage with consumers at multiple touchpoints, thereby enhancing their ability to funnel a larger share of the consumer's wallet.
- Internet users in India, estimated at 800-830 million in 2023, are projected to grow to 1,040-1,080 million by 2028, driven by improved digital infrastructure through the launch of 5G connectivity and government initiatives for improving digital inclusion and adoption in rural India.
- In addition, the availability of cheap mobile internet data rates and affordable smartphones led to smartphone penetration in India increasing from 210-230 million users in 2018 to 670-680 million in 2023.
- Furthermore, while 30-35% of smartphone users in India are online commerce users, the same for China is over 80%, highlighting the large growth headroom.

Hyperlocalisation of Food Services and Retail;

- The food services market in India is largely unorganised limiting the supply for food services which is in stark contrast to other markets like the USA.
- The food services markets in the USA and China are approximately 1.2 times and approximately 0.6 times the grocery markets respectively and have been habituated to dining out, while the Indian food services market was 0.1 times the grocery market as of 2023.
- In India's food services industry, the shift to organised food services is happening around the same time as its hyperlocalisation.
- Hence, there remains a large headroom for penetration and usage as organised supply catches up, particularly with cloud kitchens that cater solely to Food Delivery.
- Similar trends can be seen in the Indian retail industry which is dominated by unorganised retail (general trade) and organised retail contributes 18-20% to the overall market in 2023 which is expected to reach 32- 35% by 2028.
- Unlike other categories like large electronics and fashion, where demand is concentrated at specific times of the year, these categories see greater frequencies and stickiness from consumers.

Indian Food Services Market;

- The Indian food services market comprises online Food Delivery and Out-of-home Consumption which was ₹5,600 billion (US$70 billion) as of 2023.
- The online Food Delivery market is the fastest-growing segment within the food services market and is expected to grow at 17-22% between 2023 and 2028.
- In the Out-of-home Consumption market, the organised segment and the online dining out segment are expected to grow at 15-18% and 46-53% respectively between 2023 and 2028.
- Both online Food Delivery and Out-of-home Consumption markets are growing on the back of a rapid increase in the share of organised restaurant supply unlocking demand in the Indian market.
- As of 2023, the top 60 cities (Metro2 and Tier 1 cities) contribute over 56% of the total food services market.
- Moreover, the value of restaurant food is significantly higher than home-cooked meals as it factors in the added value of quality, experience and uniqueness provided by businesses.
- Hence, as the penetration of food services increases, the market expands disproportionately.

Online Food Delivery;

- The online Food Delivery market in India grew from ₹112 billion (US$1.4 billion) in 2018 to ₹640 billion (US$8 billion) in 2023 and is expected to become a ₹1400-1700 billion (US$17-21 billion) market by 2028P, growing at a CAGR of 17-22%.
- Of the total market in 2023, the share of the top 60 cities (metro and Tier 1) is 75-80% which shows the large untapped potential beyond these cities which will drive growth as penetration of online Food Delivery increases.
- Growing availability of organised restaurant supply and increased online penetration is expected to drive growth in the online Food Delivery market beyond the top 60 cities.
- Within the top 60 cities, the urban consumer base is still underpenetrated and a rise in the number of users alone is expected to grow the market.
- The growing need for convenience and variety fuels demand, while the rapid expansion of the restaurant industry, driven by an increasing number of organised restaurants, strengthens supply.
- Consequently, the growth of organised and affordable offerings is expected to unlock demand previously constrained by the lack of relevant and abundant supply.

COMPETITIVE STRENGTHS OF THE COMPANY

Pioneers of high-frequency hyperlocal commerce categories driven by an innovation-led culture;

- Being among the first hyperlocal commerce platforms, Swiggy has successfully pioneered the industry in India, launching Food Delivery in 2014 and Quick Commerce in 2020, due to the pioneering status of Swiggy, it is well-recognised as a leader in innovation in hyperlocal commerce and as a brand synonymous with the categories it is present in.
- Innovation is an integral part of their DNA which encourages them to ideate, experiment and iterate constantly.
- The core of their innovation approach is to identify and address the convenience needs of users, thereby increasing the frequency with which users interact on their platform.
- They actively focus on addressing gaps in the convenience needs of users by adding new offerings or supplementing existing services in their ecosystem, and spurring innovations across their value chain.
- For example, they have been able to expand beyond their core offerings of Food Delivery and Quick Commerce on their platform by increasing the breadth (dining out, events bookings and product pick-up/ drop-off services) and depth (adding more food and product assortments and geographic expansion) of these offerings by relying on their experience in this market.
- Their innovation-led approach operates as a self-reinforcing ecosystem where their offerings help them drive interactions with users and consequently enhance value for all ecosystem participants and the overall platform.
- For example, their technology-driven personalised recommendations help users quickly discover desired offerings, evaluate choices and make informed decisions.
- Their targeted advertising tools (through which partners can promote their brand on their platform) help restaurant partners, merchant partners and brand partners acquire users effectively.
- Their data analytics capabilities help them enhance and expand on their offerings, and further develop their supply chain solutions and last-mile delivery network to bring convenience for their users and efficiencies for their partners.

A consistently growing network of users;

- In their tenth year of operations, they have reached a milestone of 112.73 million users that have transacted on their platform (ever transacted users) on June 30, 2024.
- Their unified app, growing offerings and a wide network of partners drive greater selection and faster delivery times, all of which enhance user experience on their platform and encourage more users to transact with them.
- As a result, they have witnessed consistent growth in their base of Monthly transactional users, both for Food Delivery and Quick Commerce individually, as well as for the overall platform.

A preferred choice for restaurant partners, merchant partners, brand partners and delivery partners;

- Their scale, unified app approach with adjacent categories, engaged user base, and on-demand delivery network creates meaningful opportunities for restaurant partners, merchant partners and brand partners to engage with their user base at low incremental costs.
- They adopt a consultative approach to engage with their partner network and provide them with a variety of business enablement solutions to establish an online presence and engage with users in real-time – such as tools and insights to run targeted advertisements across multiple offerings to increase their sales, promote new menus and products, and provide personalised recommendations.
- They also support them with their large on-demand delivery network; seamless integrated payment systems; and end-to-end supply chain solutions, all with an aim for their partners to achieve optimal return on investments.
- Merchant partners benefit from several enablement services, including the ability to manage their inventory through their network of Dark Stores and related supply chain services; the ability to use space in their strategically-located Dark Stores across India which reduces their fixed costs of establishing a store and provides a broader user outreach; usage of their integrated payment systems; and the enablement of the delivery of their products through their last-mile delivery network, which helps optimise their operational costs.
- Their success in retaining their partner base is a clear indicator of the attractiveness of the benefits offered by their platform.
- Their top 100 restaurant partners by revenue contribution as of June 30, 2024, have been on their platform for an average of more than five years.

RISK FACTORS

They have incurred net losses in each year since incorporation and have negative cash flows from operations. If they are unable to generate adequate revenue growth and manage their expenses and cash flows, they may continue to incur significant losses;

- They started their operations in 2014 as a Food Delivery service and have since launched multiple services on their platform, such as Quick Commerce in 2020, Dineout in 2022, pick-up/drop-off service Genie in 2020, and engage in other hyperlocal commerce through Swiggy Minis.
- While their Gross Revenues have increased over the years as shown in the table below, they have incurred significant expenses to support their growth, including advertising and sales promotions expenses to increase their user base and enhance their brand; delivery and related costs to support their delivery facilitation services; and employee benefit expenses to support their operations, among others.
- As a result, they have incurred net losses in each year since their incorporation and had negative cash flows from operating activities.
- Their GOV is not concentrated in any geography across their segments.
- They expect to continue expanding financial and other resources on expanding their operations – including increasing their user and partner base, introducing new offerings and expanding their operations in existing and new cities, among others.
- If they are unable to successfully address these risks or if they are unable to generate adequate revenue growth and manage their expenses and cash flows, they may continue to incur significant losses.

If they fail to retain their existing user base or fail to acquire new users cost-effectively, their business, financial condition and results of operations could be adversely affected;

- The growth of their business depends on their ability to grow their offerings continuously by cost-effectively retaining and acquiring users.
- Their user base may decline for various reasons, including changes in user behaviour or preferences and unavailability of food and product options they may be seeking; restaurant partners and merchant partners on their competitor platforms offering more attractive prices, incentives, discounts or lower fees; competitors offering more user-friendly features on mobile apps or websites; among others.
- Although they have not had material instances of a decrease in their user base, any decline in their user base will affect their ability to attract and retain restaurant partners, merchant partners and brand partners.
- This in turn could adversely affect their business, financial condition and results of operations.
- They incur expenses to attract and retain users on their platform, such as discounts and promotions, including through their membership programme, "Swiggy One" where members benefit from, free delivery for certain select orders and additional promotions and discounts.
- They also engage in traditional non-digital marketing (such as television, radio and print, among others) and digital services advertising on various platforms to attract users.

Attracting and retaining delivery partners is critical to their business, and failure to do so in a cost-effective way may hurt their business, financial condition and results of operations;

- They believe that having a large and flexible network of delivery partners and a seamless experience providing technology is essential to their success.
- Delivery Partners engage with the Company's Platform on a gig basis and therefore have the freedom to work for any number of days and hours, as per their preference.
- This results in them simultaneously working at different places or only working for a few hours a day or only a few days in a month or year at their discretion. They do not have an exclusive arrangement with delivery partners.
- Their ability to attract new and retain existing delivery partners largely depends on the delivery fee and other incentives they can earn through their platform and other benefits that they offer including accident and medical coverage, an income protection cover plan, smart gears, road safety awareness workshops, resting spots and maternity benefits.
- Further retention of delivery partners on their platform also depends on the efficient allocation of orders to delivery partners, such that they have opportunities to earn through their platform.
- While they continue to improve the efficiency and sophistication of their technology, including enhancing demand prediction, estimating food preparation times and optimising their routing and batching algorithms, there can be no assurance that such efforts will be successful.
- Any failure to do so could cause the delivery partners to leave their platform. If they are not able to retain and expand the delivery partner base as a result of, but not limited to, them earning less than competitive delivery fees on their platform, the introduction of other platforms offering better terms, strikes or unionisations of delivery partners or by legislation that may disrupt this service, they may not be able to service user orders effectively.

PEER COMPARISON

Name of the company	Revenue from Operations (in Cr.)	Face Value (Rs per share)	EPS (in Rs)	NAV (Per share Rs)	RoNW (%)	P/E*	P/B*
Swiggy Limited	11247.39	1.00	(10.70)	35.48	(30.16)	NA	10.99
Zomato Limited	12114.00	1.00	0.41	23.14	1.72	597.93	10.59

*P/E & P/B ratio based on closing market price as of November 04th, 2024, at the upper price and of IPO, financial details consolidated audited results as of FY24.

OUR VIEWS

- Swiggy Ltd. (SWIGGY), established in 2014, is a prominent consumer-centric technology company offering a unified platform that allows users to order food, groceries, and household items; make restaurant reservations; book events; and access hyperlocal services like pick-up and drop-off. This extensive service portfolio, all accessible through a single app, positions Swiggy as a significant player in India's rapidly growing food delivery and quick-commerce market.
- Swiggy's diverse offerings are primarily anchored in "Food Delivery," which remains the largest revenue generator, alongside "Instamart" for groceries and household goods, and "Genie," a hyperlocal service addressing various convenience needs. In recent expansions, Swiggy introduced "Link," a partnership with local Kirana stores, enabling access to lower-tier cities and increasing last-mile reach.
- Swiggy has built a unique position in the market through its unified app approach, unlike its competitors who tend to offer services on separate platforms. This model enhances convenience for users and allows Swiggy to cross-leverage its delivery fleet across services, optimizing costs and ensuring fleet utilization, especially during peak order times.
- Swiggy's customer engagement is bolstered by its cross-selling success, with approximately 27% of users using more than one service and around 50% of Instamart customers transitioning to food delivery. This cross-utilization increases customer lifetime value and maximizes revenue per user while controlling customer acquisition costs.
- Over the past few years, Swiggy has also significantly reduced fixed costs and reported a 13% reduction in operating costs. This cost control positions the company well for future profitability in its quick-commerce division, where high growth has been accompanied by operational challenges.
- Swiggy has been a market leader in the quick commerce sector, recording a 122% revenue growth in just over two years, giving it an advantage in a market expected to expand further by 2028.
- Swiggy's technology infrastructure, which integrates multiple services on a common platform, is another advantage as it reduces development costs and accelerates the rollout of new services, allowing Swiggy to swiftly adapt to evolving market demands.
- Its financials show consistent top-line growth, with revenue reaching Rs. 6,119.78 crore in FY22, Rs. 8,714.45 crore in FY23, and Rs. 11,634.35 crore in FY24.
- However, Swiggy's journey has not been without challenges. Despite its impressive revenue growth, the company has yet to turn profitable, though losses have narrowed in recent years, with losses reducing from Rs. 4,179.31 crore in FY23 to Rs. 2,350.24 crore in FY24.
- This loss trajectory is primarily attributed to Swiggy's expansion strategy, particularly in its quick commerce division and investment in dark stores. These dark stores, crucial for Instamart's rapid delivery model, typically take around 12 months to become profitable, creating short-term losses that impact the overall financials.
- Swiggy also faces external challenges from an increasingly competitive landscape.
- While Swiggy currently benefits from a quasi-duopoly in food delivery, it expects more players to enter the market as it grows, potentially putting pressure on its market share and profitability. The management, however, believes that its market head start, unified platform, and established customer base provide a competitive edge that can help maintain its leadership.
- Swiggy's management structure, with its founders and key leaders holding a 21% ownership stake, reflects a committed leadership team invested in long-term growth.
- Despite these challenges, Swiggy's strong growth trajectory, focus on operational efficiency, and innovations in service expansion provide substantial opportunities. The company's strategic focus on profitable growth in food delivery, along with an ambition to turn its quick-commerce division profitable shortly, aligns with its long-term vision of sustainable growth.
- Furthermore, the IPO proceeds are expected to support Swiggy's expansion plans, especially in its newer segments, which could eventually balance its revenue portfolio and improve its financial position.
- The issue is available at P/BVPS of 10.99x which is in line with peers and in terms of EV/Sales also, issue appears fairly valued as EV/Sales stands at 7.70x as compared to 17.57x of competitors.
- Swiggy's position as a leader in food delivery and quick commerce, supported by a robust, unified platform, provides it with a strong foundation to capture future growth opportunities in India's large and expanding market.

We recommend to SUBSCRIBE this issue for long-term gains.

Sources: Company website and red herring prospectus

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