

THE 10-MINUTE REVOLUTION

HOW QUICK COMMERCE IS DISRUPTING INDIA





INTRODUCTION

India's New Obsession – Instant Everything

India's retail landscape is witnessing an unprecedented shift – the birth of a new consumer culture that values speed, convenience, and instant gratification above all. Welcome to the era of Quick Commerce (Q-Commerce) – where groceries, gadgets, and even fashion are delivered in minutes. What began as an experiment during the pandemic has now evolved into a \$10 billion juggernaut that's transforming the retail battlefield.

This report dives deep into how players like Blinkit, Instamart, Ajo Rush, and others are rewriting the rules of Indian commerce, disrupting legacy models, and even killing once-promising ventures like Otipy.





BLINKIT

Eternal's Crown Jewel and India's Fastest-Growing Consumer Tech Bet:

From Food to Everything: Blinkit, now Eternal Ltd's (Zomato's) breakout vertical, has grown from being a bold acquisition to a hyper-growth machine. It now contributes nearly 50% of Eternal's \$10 billion annualized net order value, overtaking Zomato's core food delivery business in gross order value.

- **Financial Firepower:**

- Q1FY25 GOV: ₹13,046 Cr vs. Food Delivery's ₹2,951 Cr
- 16.9M monthly active users | AOV: ₹700+
- Mature store contribution margin: 6.4%
- Adjusted EBITDA margin: -1.3% | Break-even: 2–3 months for mature stores

- **Tech-Led Efficiency:**

- Over 1,544 dark stores, with a ₹370 Cr capex for 243 new stores in Q1FY26 alone
- Target: 2,000 dark stores by FY26
- Tech stack includes smart-picking paths, AI-driven location planning, ad-tech, and in-house store ops

- **Valuation Snapshot:**

- Market Cap: ₹2.99 L Cr | P/E: 1003 | EV/EBITDA: 169x | ROCE: 3.18%



SWIGGY INSTAMART: QUIET CHALLENGER

1. Operations & Offerings:

- Instamart operates 605 active dark stores across 43 cities (up from 12 in 2021).
- Average dark store size: 3,006 sq ft; delivery time: 12.6 minutes.
- Integrated categories like premium “Insanely Good,” Swiggy Mall, and non-grocery segments (books, beauty, appliances).

2. Financials (Quick Commerce Segment):

- FY24 GOV: ₹80,685 Cr | Q1FY25 GOV: ₹27,240 Cr
- AOV: ₹487 | Contribution Margin: -3.18%
- Adjusted EBITDA Margin: -11.67% (improving from -39.6% in FY23)
- 5.24 million average monthly transacting users; 77.69% were cross-sold from food delivery.

3. Future Strategy:

- Invest ₹11,787 Cr to add 741 new dark stores via Scootsy, adding 2.59 million sq ft of space.
- Expand categories into beauty, electronics, baby & pet care, and high-margin non-grocery segments.
- Focus on fleet optimization and batching to lower delivery costs.



THE FASHION FLIP: HOW Q-COMMERCE IS RESHAPING FASHION RETAIL TOO

As Indian consumers grow addicted to instant deliveries, the fashion industry too has been pulled into the Quick Commerce whirlpool.

- **Ajio Rush & Myntra's M-Now:**

- Ajio Rush promises deliveries under 4 hours in 10 cities.
- Myntra's M-Now offers 24–48 hour fulfillment, with expansion into 600+ cities.

- **Why Fashion is Racing for Speed:**

- Same-day delivery accounts for 15% of Ajio Rush's GMV.
- Consumers are seeking impulse-driven fast fashion with instant gratification.
- Logistics partnerships and curated high-demand SKUs are key.

- **Reliance Retail's Strategy:**

- Targeting 10M+ households
- Deepening fulfillment through partnerships and last-mile logistics
- Competing not just with e-commerce but with Q-commerce giants



OTIPY: THE FIRST CASUALTY OF THE 10-MINUTE WAR

- **What Went Wrong:**

- Otipy, once hailed for farm-to-fork freshness, failed to match the blistering pace of Q-commerce.
- Its 2-8 hour delivery model became obsolete as Blinkit and Instamart trained consumers to expect 10-minute delivery.

- **Funding & Sentiment Crash:**

- Post-2022, agri-tech funding slowed to \$412M in 2024 (vs. \$1.3B in 2021)
- VC exits dried up, and agri-sector's longer gestation models lost appeal

- **Founder's Take:**

- CEO Varun Khurana admitted: "The window to scale closed before we could optimize."
- Hopes remain for revival, but capital scarcity and Q-commerce dominance remain roadblocks.



THE BIG PICTURE: WHAT'S FUELING Q-COMMERCE'S METEORIC RISE?

- Market Opportunity:
 - TAM: ₹2.3–4.2 trillion by 2028
 - CAGR: 60–80% over next 4 years
 - Penetration in online retail to rise from 4.8% (2023) to 30% (2028)
- Consumer Behavior:
 - Impulse and convenience trump price.
 - Loyalty shifting toward platforms offering instant delivery.
 - Q-commerce has now moved from grocery to fashion, appliances, and beauty.
- Challenges Ahead:
 - Negative cash flows persist despite rapid topline growth
 - Delivery cost, dark store burn, and lack of Tier-2/3 penetration
 - Overvaluation concerns: Eternal's intrinsic value (₹32) vs CMP (₹311)



ETERNAL VS DMART: TRADITIONAL RETAIL'S WAKE-UP CALL

Metric	Eternal Ltd. (Blinkit)	Avenue Supermarts (DMart)	Analysis
Market Cap	₹2.99 L Cr	₹2.63 L Cr	<i>Despite having weaker profitability and negative free cash flows, Eternal Ltd commands a higher valuation due to Blinkit's explosive growth and market disruption.</i>
P/E Ratio	1003	97.2	
ROCE	3.18%	18.00%	
Sales Growth	66.90%	16.30%	
EV/EBITDA	169	56.5	
Intrinsic Value	₹ 32	₹ 906	
Book Value	₹ 31.40	₹ 329	
FCF (Prev Yr)	₹444 Cr	₹24 Cr	
Dividend Yield	0.00%	0.00%	
<i>DMart remains fundamentally stronger but lacks tech-led agility and rapid scale of Q-Commerce.</i>			



CONCLUSION: THE CLOCK IS TICKING – WHO WILL WIN THE RACE?

Q-Commerce is no longer just a delivery model – it's a consumer habit, a logistics marvel, and a retail revolution. With fashion, beauty, and even hot food joining the 10-minute wave, it's not just groceries being disrupted anymore.

The death of Otpy signals the brutal cost of not adapting fast enough. Meanwhile, Blinkit and Instamart are already sprinting ahead, with Ajio Rush and Myntra M-Now trying to catch up. Speed has become the ultimate currency.

The battlefield is set. The timer has started. Welcome to the age of Quick Everything.



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