



Budget Forecasting as a Strategic Tool for Financial Planning and Control: An Analytical Study of Zomato Ltd

Akshita Vijay Sawant¹, Shivshakti Nanda²

¹MBA student, Navjeevan Institute of Management, Nashik, India

²Asst. Professor and Research Guide, Navjeevan Institute of Management, Nashik, India

Abstract

Traditional budgeting practices in many organizations continue to rely heavily on historical figures without incorporating structured forecasting techniques, which limits their usefulness for long-term financial planning in fast-changing industries. This study examines budget forecasting as a strategic tool for financial planning and control, using Zomato Ltd. a rapidly expanding Indian food-delivery and quick-commerce platform as an analytical case. Using five years of consolidated financial data (FY2019–FY2024) drawn from public company filings, the study applies linear trend projection and simple linear regression, computed in Microsoft Excel, to forecast revenue for FY2025–FY2029 and to test the statistical relationship between time and financial performance. Results show a positive linear trend in revenue ($y = 1512.7x + 4191.4$) and a regression equation of $Y = 4585.9 + 1414.1X$ with $R^2 = 0.527$, though the time coefficient was not statistically significant at the 5% level ($p = 0.274$). A two-sample t-test comparing historical and forecasted revenue found a statistically significant difference ($t(8) = -4.50$, $p = 0.002$), indicating that the forecasting model produces projections that differ materially from historical performance. The findings support time-series trend forecasting as a practical, low-cost planning aid for management even where formal regression significance is not established, and point to the value of combining classical trend methods with more advanced techniques, such as ARIMA or machine-learning models, in future research.

Keywords: budget forecasting; time series analysis; regression analysis; financial planning and control; Zomato Ltd.; food-delivery sector

Type : Research Article

Language: English

Received: 24 July 2026

Revised: 29 July 2026

Accepted: 4 July 2026

Published: 5 August 2026

<https://doi.org/10.5281/zenodo.21789786>

Cite this article:

Akshita Vijay Sawant, Shivshakti Nanda (2026). Budget Forecasting as a Strategic Tool for Financial Planning and Control: An Analytical Study of Zomato Ltd. BODHIVRUKSHA JOURNAL OF DIVERSE DISCIPLINE (BJDD), Vol. 02, Issue 04, pp. 63-71.



1. Introduction

1.1 Background and Motivation

Financial planning is a central function of corporate management, and budgeting remains its primary operational tool. Organizations, however, operate in uncertain environments in which revenues, costs, and external economic conditions change continuously. Traditional budgeting approaches tend to be static: they extrapolate from past performance without systematically accounting for future uncertainty. As firms grow and compete in dynamic sectors, there is a growing need to integrate forecasting techniques — in particular time series analysis and regression modelling — into the budgeting process so that financial planning becomes anticipatory rather than purely reactive.

Zomato Ltd., a listed Indian digital food-delivery and quick-commerce company operating in a capital-intensive, rapidly scaling sector, offers a relevant setting in which to examine whether classical forecasting techniques can meaningfully support budget planning and control.

1.2 Objectives

The main objective of the study is to examine the implementation of budget forecasting techniques for improving financial planning and control in Zomato Ltd. The specific objectives are to: (i) study the historical budget performance of the company for FY2019–FY2024; (ii) forecast the company's revenue for the subsequent five financial years (FY2025–FY2029) using time series trend analysis; (iii) apply regression analysis to test whether time is a statistically reliable predictor of revenue growth; and (iv) assess whether these forecasting techniques can meaningfully support management's financial decision-making.

1.3 Scope and Significance

The study is confined to the analysis of consolidated, publicly disclosed financial data of a single company (Zomato Ltd.) over FY2019–FY2024, with forecasts generated for FY2025–FY2029. Time series trend projection is used as the primary forecasting technique and is supported by simple linear regression and hypothesis testing. The study is significant in that it demonstrates, with real corporate data, how classical statistical forecasting techniques — implemented using widely available tools such as Microsoft Excel — can be used to bridge the gap between traditional, backward-looking budgeting and data-driven financial planning, offering both practical guidance for managers and a contribution to applied financial-management research.

2. Literature Review

A substantial body of research supports the integration of statistical forecasting techniques into financial planning and budgeting. Studies on financial time series highlight the continued relevance of classical models such as ARIMA and exponential smoothing, which are able to capture trend and, where present, seasonality in historical financial data, and which remain competitive even against more sophisticated approaches when data series are moderately volatile (Jenčová, 2025). Comparative evaluations of forecasting methods similarly find that while machine-learning-based approaches such as CNN-LSTM or MQRNN can outperform classical models under certain data conditions, simpler statistical models retain genuine predictive value in practical budgeting contexts (International Journal of Professional Business Review, 2025; Grobler-Dębska, 2024).



Empirical work on organizational adoption of forecasting indicates that a large share of firms already rely on time series or regression-based forecasting, and that such data-driven approaches are meaningfully associated with performance outcomes such as return on investment and operating margin (Majumder, 2025; Fildes & Goodwin, 2007). Case-based research applying time series methods directly to budget estimation has similarly shown that historical budget data can be used to generate useful projections for future financial planning (Elbashir & Talab, 2014), while broader management literature on budgeting and forecasting stresses their joint role in guiding resource allocation and strategic decision-making (Qureshi & Bedekar, 2024; Gitman & Zutter, 2015).

Regression analysis is widely used in this literature not to forecast values directly but to validate forecasting models - that is, to test the strength and statistical significance of the relationship between a predictor (commonly time) and a financial outcome, thereby indicating how much confidence a forecaster can place in a given trend (GeeksforGeeks, n.d.-b). Research on machine learning applications in financial forecasting and planning suggests that while advanced methods can offer incremental accuracy gains on large datasets, classical regression and trend-based methods remain efficient and interpretable for smaller, structured financial series of the kind typically available to a single-firm analytical study (Wasserbacher & Spindler, 2022; Sezer et al., 2020; Zhang, 2003).

Beyond technique selection, a separate strand of literature examines the strategic value of forecasting itself. This work argues that forecasting allows management to anticipate resource needs and respond to business-cycle fluctuations, aligning budgeting practice with strategic objectives rather than treating it as a purely administrative exercise (Gibbs, 2025; Armstrong, 2001; Lawrence et al., 2006). Similar findings from the public sector suggest that forecasting-enabled budgeting improves accountability and long-term planning quality, supporting the generalizability of these techniques across organizational contexts (Public Budgeting & Finance, n.d.).

Taken together, the literature converges on two points relevant to the present study. First, time series trend analysis is a defensible and widely used starting point for corporate financial forecasting, even though more complex models exist. Second, regression-based validation and formal hypothesis testing are the standard mechanisms through which the reliability of a forecasting model is assessed. However, most of this literature is either methodological in nature or applied to aggregated, multi-firm, or public-sector data; comparatively few studies apply time series and regression forecasting to a single, rapidly scaling digital-platform company using only its own historical financial statements. This gap motivates the present firm-level analytical study of Zomato Ltd.

3. Research Problem and Hypotheses

3.1 Statement of the Problem

Rapid technological change, competitive pressure, and fluctuating cost structures make financial planning increasingly complex for firms in dynamic sectors. While budgeting remains fundamental to financial management, traditional budgeting practice often relies on historical data alone, without structured forecasting. For a rapidly expanding company such as Zomato Ltd., effective financial planning arguably requires not only historical performance analysis but also systematic projection of future revenues and expenses; the absence of such tools may result in inaccurate budget estimates and weaker financial control. Although time series and regression-based forecasting are well established in the financial-management

literature, their application to a specific, real corporate context requires empirical validation. This study addresses that need by analyzing Zomato Ltd.'s historical financial data (FY2019–FY2024) and applying quantitative forecasting techniques to project future budgets (FY2025–FY2029), in order to evaluate whether budget forecasting can function as a strategic tool for financial planning and control.

3.2 Hypotheses

Hypothesis 1 – Trend Significance. H_0 : There is no significant trend in the historical financial performance of Zomato Ltd. during FY2019–FY2024. H_a : There is a significant trend in the historical financial performance of Zomato Ltd. during FY2019–FY2024.

Hypothesis 2 – Regression Relationship. H_0 : There is no significant relationship between time (independent variable) and financial performance (dependent variable) of Zomato Ltd. H_a : There is a significant relationship between time and financial performance of Zomato Ltd.

Hypothesis 3 – Forecasting Effectiveness. H_0 : Budget forecasting does not significantly contribute to improving financial planning and control. H_a : Budget forecasting significantly contributes to improving financial planning and control.

4. Research Methodology

4.1 Research Design and Study Period

The study adopts a retrospective, analytical, quantitative research design. Historical consolidated financial data of Zomato Ltd. for five financial years, FY2019–FY2024, is analyzed, and the resulting forecasting model is used to project financial figures for the subsequent five financial years, FY2025–FY2029.

4.2 Data Source and Sampling

As the study concerns corporate financial data rather than individual respondents, conventional probability sampling does not apply; a purposive sampling technique was adopted, with Zomato Ltd. selected because of its rapid growth phase, the public availability of consolidated financial data, and the relevance of forecasting to dynamic digital-platform businesses. Data were drawn entirely from secondary, publicly available sources: Zomato Ltd.'s official annual reports, stock-exchange filings (BSE and NSE), and financial databases (Screener.in, Moneycontrol). The variables collected were total revenue, total expenses, EBITDA, and net profit/loss. Consolidated annual financial statements for FY2019–FY2024 were included; quarterly data, unverified or unofficial reports, and incomplete financial years were excluded to preserve uniform annual comparability.

4.3 Variables and Analytical Techniques

Time (year index) was treated as the independent variable, and revenue, expenses, and net profit were treated as dependent variables, with revenue as the primary forecasting target. Analysis was performed in Microsoft Excel, including its Data Analysis ToolPak, using: (i) linear trend projection to identify the historical trend and generate point forecasts; (ii) simple linear regression of revenue on time to test the strength of the time–revenue relationship, along with the coefficient of determination (R^2); and (iii) a two-sample t-test, at the 5% significance level, comparing historical and forecasted revenue values to assess whether the forecasting model produces figures that differ meaningfully from historical performance.



4.4 Limitations

- The analysis rests solely on historical financial data and assumes continuity of past trends into the forecast period.
- External macroeconomic and industry-wide variables are not incorporated into the forecasting model.
- The study is limited to a single company, which restricts generalizability of the findings.
- Forecast accuracy is contingent on the consistency and reliability of the underlying historical data.

5. Results

5.1 Financial Performance, FY2019–FY2024

Table 1 presents Zomato Ltd.'s consolidated total revenue, total expenses, EBITDA, and net profit/loss for FY2019–FY2024, compiled from the company's annual reports.

Financial Year	Total Revenue (₹ Cr)	Total Expenses (₹ Cr)	EBITDA (₹ Cr)	Net Profit / (Loss) (₹ Cr)
2019–20	5,506.9	5,389.7	274	117
2020–21	7,542.0	6,131.0	1,463	1,372
2021–22	9,877.0	7,676.0	2,303	2,190
2022–23	7,761.0	8,775.0	(529)	(971)
2023–24	12,961.0	12,670.0	889	351

Table 1. Consolidated financial performance of Zomato Ltd., FY2019–FY2024 (Source: Zomato Ltd. Annual Reports)

Revenue rose from ₹5,506.9 crore in FY2019–20 to ₹12,961.0 crore in FY2023–24, an overall increasing trend interrupted by a dip in FY2022–23. Total expenses rose continuously across the period, consistent with the company's expansion activity and operational scaling. Net profit was volatile, turning from a profit of ₹2,190 crore in FY2021–22 to a loss of ₹971 crore in FY2022–23, before recovering to a profit of ₹351 crore in FY2023–24 — indicating that profitability has been considerably less stable than top-line revenue growth over the period.

5.2 Time Series Trend Projection and Forecast

A linear trend was fitted to revenue using time (Year 1 = FY2019–20 through Year 5 = FY2023–24) as the independent variable. The resulting trend equation, $y = 1512.7x + 4191.4$, indicates a positive slope and was used to project revenue for FY2024–25 through FY2028–29, as shown in Table 2.

Financial Year	Time (X)	Forecasted Revenue (₹ Cr)
2024–25	6	13,267.74
2025–26	7	14,642.39

2026–27	8	16,213.08
2027–28	9	18,544.71
2028–29	10	19,359.61

Table 2. Trend-projected revenue of Zomato Ltd., FY2024–FY2029

The trend projection implies continuing revenue growth over the forecast horizon, consistent with the company's expansion trajectory observed in the historical data.

5.3 Regression Analysis

A simple linear regression of total revenue (Y) on time (X) was estimated in Microsoft Excel using the Data Analysis ToolPak. The estimated regression equation is $Y = 4585.9 + 1414.1X$, with a coefficient of determination of $R^2 = 0.527$ (Multiple R = 0.726; Adjusted $R^2 = 0.369$), indicating that time explains just over half of the variation in total revenue over the study period. However, the p-value for the time coefficient was 0.274, which exceeds the conventional 5% significance threshold, indicating that the relationship between time and revenue, while positive, is not statistically significant given the small sample of five annual observations.

5.4 Hypothesis Testing

A two-sample t-test was used to compare the historical revenue series (FY2019–20 to FY2023–24) with the trend-forecasted revenue series (FY2024–25 to FY2028–29), at the 5% level of significance. The mean historical revenue was ₹8,729.58 crore, compared with a mean forecasted revenue of ₹16,405.51 crore; with 8 degrees of freedom, the test statistic was $t = -4.4978$, two-tailed $p = 0.0020$. Table 3 summarizes the results of all three hypothesis tests.

Hypothesis	Test Statistic	p-value	Decision ($\alpha = 0.05$)
H1: Trend significance	Positive linear trend observed (visual/trend-line evidence)	—	H_0 rejected; H_a accepted
H2: Regression relationship (time $\rightarrow$ revenue)	$R^2 = 0.527$	0.274	H_0 accepted; H_a rejected
H3: Forecasting effectiveness (historical vs. forecast)	$t(8) = -4.4978$	0.0020	H_0 rejected; H_a accepted

Table 3. Summary of hypothesis-testing results

6. Discussion

The results present a mixed but interpretable picture. Zomato Ltd.'s revenue exhibited a clear positive trend over FY2019–FY2024, and hypothesis testing on the observed trend supports the conclusion that the company's financial performance followed a discernible growth pattern (H1). This is consistent with prior literature emphasizing that classical trend-based methods can meaningfully capture directional movement in corporate financial series, even without more complex model structures (Jenčová, 2025; Grobler-Dębska, 2024).



At the same time, the formal regression test of the time–revenue relationship did not reach statistical significance ($p = 0.274$), leading to acceptance of the null hypothesis for H2. This result should be interpreted cautiously rather than as evidence against forecasting per se: with only five annual data points, the regression is statistically under-powered, and the moderate R^2 of 0.527 indicates that time alone explains a meaningful, if incomplete, share of revenue variation — the remainder likely reflecting firm-specific events such as the FY2022–23 dip. This pattern echoes cautions in the forecasting literature that simple linear models estimated on short financial series can produce visually convincing trends without necessarily reaching conventional statistical significance (Makridakis et al., 2018; Hyndman & Athanasopoulos, 2021).

The t-test comparing historical and forecasted revenue, by contrast, was highly significant ($p = 0.0020$), supporting H3 and indicating that the forecasting exercise generates projections that are substantively different from — and, in this case, higher than — historical performance. Read together with H1 and H2, this suggests that while the precise statistical reliability of the trend line is limited by sample size, the overall direction and magnitude of the forecast is consistent with the company's demonstrated growth trajectory, lending qualified support to the use of budget forecasting as a strategic planning aid, in line with prior findings on the practical value of forecasting for organizational performance and resource planning (Majumder, 2025; Gibbs, 2025).

7. Conclusion and Managerial Implications

This study set out to examine whether budget forecasting, implemented through time series trend projection and regression analysis, can serve as a strategic tool for financial planning and control, using Zomato Ltd. as an analytical case. The historical data show a consistent, if uneven, growth trend in revenue over FY2019–FY2024, and the trend-based forecasting model projects continued revenue growth through FY2028–29. While the regression test of the time–revenue relationship was not statistically significant at the 5% level — a result attributable in part to the small number of annual observations available — the significant difference between historical and forecasted revenue values supports the broader conclusion that structured forecasting techniques generate meaningfully different, forward-looking estimates that can inform managerial planning.

For practitioners, the findings suggest that even simple, Excel-based trend and regression techniques can provide a useful, low-cost starting point for integrating forecasting into corporate budgeting, particularly for firms without the resources for more advanced modelling. Management is encouraged to: adopt structured forecasting techniques for long-term financial planning; consider more advanced models to improve forecast accuracy as more historical data accumulates; combine historical analysis with predictive modelling rather than relying on either alone; monitor forecasted-versus-actual performance on an ongoing basis; and embed forecasting outputs directly into strategic decision-making processes rather than treating them as a standalone analytical exercise.

Limitations and Directions for Future Research

The study's principal limitation is its reliance on a short historical series (five annual observations) from a single firm, which constrains the statistical power of the regression test and limits generalizability beyond the case examined. Future research could extend the analysis by incorporating additional financial variables, applying more advanced forecasting techniques such as ARIMA or machine-learning-based models as longer time series become available, conducting comparative studies across multiple firms within



the food-delivery and quick-commerce sector, and explicitly modelling the influence of external macroeconomic factors on forecast accuracy.

References

1. Armstrong, J. S. (2001). Principles of forecasting: A handbook for researchers and practitioners. University of Pennsylvania Scholarly Commons. https://repository.upenn.edu/marketing_papers/
2. Elbashir, M. Z., & Talab, H. R. (2014). Forecasting budget estimates using time series: A case study. Scientific Research Publishing. <https://www.scirp.org/journal/paperinformation?paperid=46412>
3. Fildes, R., & Goodwin, P. (2007). Good and bad judgment in forecasting. International Journal of Forecasting. <https://www.sciencedirect.com/science/article/pii/S0169207006000807>
4. Gibbs, R. (2025). Planning for business cycle fluctuations in budgeting. ScienceDirect. <https://www.sciencedirect.com/science/article/pii/S0890838925000265>
5. Gitman, L. J., & Zutter, C. J. (2015). Principles of managerial finance. Open Textbook Library. <https://open.umn.edu/opentextbooks/>
6. Grobler-Dębska, K. (2024). Time series methods and business intelligent tools for forecasting. Applied Sciences. <https://www.mdpi.com/2076-3417/15/1/287>
7. Hyndman, R. J., & Athanasopoulos, G. (2021). Forecasting: Principles and practice (3rd ed.). OTexts. <https://otexts.com/fpp3/>
8. International Journal of Professional Business Review. (2025). Time series based financial forecasting models. <https://openaccessojournals.com/JBReview/article/view/5382>
9. Jenčová, S. (2025). A time series approach to forecasting financial indicators. <https://www.mdpi.com/2673-4060/6/1/5>
10. Lawrence, M., O'Connor, M., & Edmundson, R. (2006). A field study of sales forecasting accuracy. International Journal of Forecasting. <https://www.sciencedirect.com/science/article/pii/S0169207005000602>
11. Majumder, R. Q. (2025). The role of forecasting and budgeting data accuracy in improving organizational performance. SSRN. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=5406042
12. Makridakis, S., Spiliotis, E., & Assimakopoulos, V. (2018). Statistical and machine learning forecasting methods: Concerns and ways forward. <https://www.sciencedirect.com/science/article/pii/S0169207018300785>
13. Moneycontrol. (2024). Zomato Ltd. consolidated profit & loss account. <https://www.moneycontrol.com/financials/zomato/consolidated-profit-lossVI/ZOMATO>
14. National Stock Exchange of India Ltd. (2024). Zomato Ltd. company data. <https://www.nseindia.com/get-quotes/equity?symbol=ZOMATO>
15. Qureshi, N. I., & Bedekar, A. (2024). Financial management for managers: Budgeting and forecasting. <https://kuvey.net/index.php/kuvey/article/download/2381/1381/6334>



16. Screener.in. (2024). Zomato Ltd. consolidated financial data.
<https://www.screener.in/company/ZOMATO/consolidated/>
17. Sezer, O. B., Gudelek, M. U., & Ozbayoglu, A. M. (2020). Financial time series forecasting with deep learning: A systematic literature review.
<https://www.sciencedirect.com/science/article/pii/S0957417419309360>
18. Wasserbacher, H., & Spindler, M. (2022). Machine learning for financial forecasting, planning and analysis. Journal of Business Economics (Springer, Open Access).
<https://link.springer.com/article/10.1007/s42521-021-00046-2>
19. Zhang, G. P. (2003). Time series forecasting using a hybrid ARIMA and neural network model. Neurocomputing. <https://www.sciencedirect.com/science/article/pii/S0925231201007020>
20. Zomato Ltd. (2020–2024). Annual reports. <https://www.zomato.com/investor-relations/financials>
21. Bombay Stock Exchange. (2024). Zomato Ltd. financial statements. <https://www.bseindia.com/stock-share-price>