

DELHIVERY

Date: September 06, 2022

BSE Limited
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001
India

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051
India

Scrip Code: 543529

Symbol: DELHIVERY

Sub: Notice of 11th Annual General Meeting and Annual Report for the Financial Year 2021-22

Dear Sir/Madam,

Kindly note that the 11th Annual General Meeting (“AGM”) of the Company is scheduled to be held on Thursday, September 29, 2022 at 11:00 AM (IST) through Video Conference (“VC”) / Other Audio Visual Means (“OAVM”), in compliance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with General Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020 and subsequent circulars issued in this regard, the latest being 2/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs (“MCA”), Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated May 13, 2022 issued by SEBI and other applicable circulars issued in this regard (collectively referred to as “Circulars”).

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening the 11th AGM and the Annual Report of the Company, for the Financial Year (FY) 2021-22.

In accordance with the aforesaid circulars, the Notice convening the 11th AGM and the Annual Report of the Company for the FY 2021-22 is being sent to all the Members of the Company whose e-mail addresses are registered with the Company / Depository Participant(s).

The Notice convening the 11th AGM along with the Annual Report for the FY 2021-22 is being uploaded on the website of the Company at www.delhivery.com, website of National Securities Depository Limited at www.evoting.nsdl.com and on the website of Registrar and Transfer Agent of the Company i.e. Link Intime India Private Limited at www.linkintime.co.in.

The Company has provided the facility to vote by electronic means (remote e-voting as well as e-voting at the AGM) on all resolutions (as set out in the AGM notice) to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Thursday, September 22, 2022. The remote e-voting shall commence on Monday, September 26, 2022 from 10:00 A.M. (IST) and end on Wednesday, September 28, 2022 at 5:00 P.M. (IST).

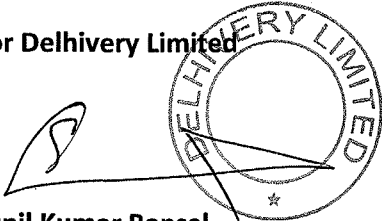
DELHIVERY

We request you to take the same on your record.

Thanking you,

Yours sincerely,

For Delhivery Limited

A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "DELHIVERY LIMITED" around the perimeter and a small star symbol at the bottom center. A line from the signature points to the stamp.

Sunil Kumar Bansal
Company Secretary & Compliance Officer
Membership No: F-4810

Place: Gurugram

Encl: As Above

Delhivery Limited

(formerly known as Delhivery Private Limited)

CIN: L63090DL2011PLC221234

Registered Office: N24-N34, S24-S34, Air Cargo Logistics Centre-II,

Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037

Corporate Office: Plot No.-5 Sector-44 Gurugram, Haryana 122002

Web: www.delhivery.com, Email: corporateaffairs@delhivery.com, Contact No.: +91 124 6225602

NOTICE OF THE 11TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eleventh (11th) Annual General Meeting (“AGM”) of the Members of Delhivery Limited (the “Company”) will be held on Thursday, the September 29, 2022 at 11:00 AM (IST) through Video Conferencing (“VC”)/ Other Audio Video Means (“OAVM”), to transact the following business(es):

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone & Consolidated) of the Company for the financial year ended March 31, 2022 together with the reports of the Board of Directors and Statutory Auditors thereon.
2. To appoint Mr. Suvir Suren Sujan (DIN: 01173669) as Non- Executive Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To consider the appointment of Ms. Aruna Sundararajan (DIN:03523267) as a Non-Executive Independent Director and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149, 152, 197, 198 read with Schedule IV and V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force), provisions of Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“SEBI Listing Regulations”) and as recommended by the Nomination and Remuneration Committee (the “NRC”) and approved by the Board of Directors (the “Board”) vide their respective resolution(s) dated July 08, 2022, Ms. Aruna Sundararajan (DIN: 03523267), who was appointed as an additional - Non-Executive Independent Director by the Board with effect from July 08, 2022 and who holds office upto the date of this Annual General Meeting (“AGM”) and in respect of whom the Company has received a notice in writing from a Member proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for her appointment as an Independent

Director under the Act and SEBI Listing Regulations, be and is hereby appointed as Non-Executive Independent Director of the Company, not liable to retire by rotation to hold the office for a period of 5 (five) years with effect from July 08, 2022.

RESOLVED FURTHER THAT subject to applicable provisions of the Act, Ms. Aruna Sundararajan shall be paid a remuneration as detailed in the explanatory statement attached hereto in addition to sitting fee for attending the meetings of the Board and/or Committee(s) thereof, during her tenure with effect from July 08, 2022 and in case of absence or inadequacy of profits, the above remuneration shall be paid as minimum remuneration for a period not exceeding 3 (three) years with effect from July 08, 2022 without requiring to obtain the approval of Members any further.

RESOLVED FURTHER THAT the Board or any Committee of the Board be and are hereby authorized to do all such acts and deeds and to sign all such documents and writings as may be necessary to give effect to this resolution on behalf of the Company.”

4. To consider the change in terms of appointment of Mr. Sandeep Kumar Barasia (DIN: 01432123), Executive Director and Chief Business Officer and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in furtherance to the resolution passed by the Members at their meeting held on October 15, 2021 and pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), provisions of Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (“SEBI Listing Regulations”) and as recommended by the Nomination and Remuneration Committee (the “NRC”) and approved by the Board of Directors (the “Board”) vide their respective resolution(s) dated July 08, 2022, the consent of the Members of the Company be and is hereby accorded for changing the terms of appointment of Mr. Sandeep Kumar Barasia (DIN: 01432123), Executive Director and Chief Business Officer, from being “**not liable to retire by rotation**” to “**liable to retire by rotation**” with effect from July 08, 2022 and other terms of his appointment including tenure and remuneration shall remain the same as approved by the Members of the Company at their meeting held on October 15, 2021.

RESOLVED FURTHER THAT the Board or any Committee of the Board be and are hereby authorized to do all such acts and deeds and to sign all such documents and writings as may be necessary to give effect to this resolution on behalf of the Company."

5. To consider the change in terms of appointment of Mr. Sahil Barua (DIN:05131571), Managing Director and Chief Executive Officer and if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** in furtherance to the resolution passed by the Members at their meeting held on October 15, 2021 and pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), provisions of Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations") and as recommended by the Nomination and Remuneration Committee (the "NRC") vide its resolution dated July 08, 2022 and as approved by the Board of Directors (the "Board") vide its resolution dated July 09, 2022, the consent of the Members of

the Company be and is hereby accorded for changing the terms of appointment of Mr. Sahil Barua (DIN: 05131571), Managing Director and Chief Executive Officer, from being "**not liable to retire by rotation**" to "**liable to retire by rotation**" with effect from July 09, 2022 and other terms of his appointment including tenure and remuneration shall remain the same as approved by the Members of the Company at their meeting held on October 15, 2021.

RESOLVED FURTHER THAT the Board or any Committee of the Board be and are hereby authorized to do all such acts and deeds and to sign all such documents and writings as may be necessary to give effect to this resolution on behalf of the Company."

By order of the Board of Directors
For Delhivery Limited
(formerly known as Delhivery Private Limited)

Sunil Kumar Bansal
Company Secretary and Compliance Officer
M. No. FCS 4810
Place: Plot No.5, Sector-44, Gurugram, Haryana-122002
Date: August 22, 2022

NOTES:

1. In view of the outbreak of the COVID-19 pandemic, social distancing norms to be followed and the continuing restrictions on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020, 17/2020 and 20/2020 dated April 08, 2020, April 13, 2020 and May 05, 2020, respectively, and clarification Circular No. 02/2021 dated January 13, 2021, 19/2021 dated December 08, 2021 and 02/2022 dated May 05, 2022 issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 & SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Companies Act, 2013 ("Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being conducted through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility, which does not require physical presence of Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.
2. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Act, in respect of the businesses under Item Nos. 2, 3, 4 & 5 set above and the details as required under Regulation 36 of the SEBI Listing Regulations and SS2:- Secretarial Standard on General Meetings in respect of the Directors seeking appointment/re-appointment/change in terms of their appointment at the AGM is annexed hereto.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC/ OAVM facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Participation of Members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the September 22, 2022 to Thursday, the September 29, 2022 (both days inclusive) for the purpose of the AGM.
6. National Securities Depository Limited (hereinafter referred to as "NSDL"), shall be providing facility for e-voting and attending the AGM through VC.
7. The Members can join the AGM through the VC/OAVM mode, 15 minutes before the scheduled time for the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 2,000 Members on a first come first served basis. This will not include large Member (Member holding 2% or more shareholding), Institutional Investors, Directors, Key Managerial Personnel, the Chairperson(s) of each Committee of the Board and Auditors who are allowed to attend the AGM without any restrictions on account of first come first served basis.
8. Institutional/Corporate Members intending to authorise their representatives to participate and vote at the meeting are requested to send a certified copy of the Board Resolution/Authority Letter to the Scrutinizer by e-mail at info@vapn.in with a copy marked to evoting@nsdl.co.in. Further, they can also upload their Board Resolution/ Authority Letter by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. The Company has appointed Mr. Prabhakar Kumar, Partner of M/s VAPN & Associates, Practicing Company Secretaries (Membership No. 5781, COP No. 10630), to act as the Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.
11. Voting: All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Registrar and Share Transfer Agent ("RTA") /Depositories Participant/s as on the cut-off date i.e. Thursday, the September 22, 2022 shall only be entitled to vote at the AGM by availing the facility of remote e-voting or by e-voting at the AGM. Eligible Members who have acquired shares after the dispatch of the Notice and holding shares as on the cut-off date i.e. Thursday, the September 22, 2022, may send an email request at evoting@nsdl.co.in or to the Company at corporateaffairs@delhivery.com for issuance of the User ID and Password for exercising their right to vote by electronic means and attend the meeting through VC/OAVM.
12. In compliance with the aforesaid MCA Circulars and SEBI Circulars issued from time to time, the Notice of the AGM and the Annual Report are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/RTA or Depository Participant/s, unless the Members have registered their request for physical copy of the same. Notice of the AGM and the Annual Report will be sent

to those Members / beneficial owners whose name will appear in the Register of Members / list of beneficiaries received from the RTA/Depositories as on Friday, September 02, 2022.

13. Those Members, whose email addresses are not registered with the Company/RTA or with their respective Depository Participant/s, and who wish to receive the Notice of the AGM and the Annual Report for the FY22 along with all other communication sent by the Company, from time to time, can get their respective email addresses by following the steps as given below:
 - a. For Members holding Shares in physical form, please send a scanned copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self-attested copy of the Permanent Account Number (PAN) and any document (such as Driving Licence, Passport, Bank Statement, AADHAR) supporting your registered address of the Member, by email to the Company's email address at: corporateaffairs@delhivery.com.
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant(s).
14. Members may also note that the Notice of the AGM and the Annual Report for the FY22 will also be available on the website of the Company at <https://www.delhivery.com/investor-relations/> for their download. The same shall also be available on the website of NSDL i.e. <https://www.evoting.nsdl.com/>, RTA i.e. Link Intime India Private Limited ("Link Intime") at www.linkintime.co.in and Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
15. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act and the certificate from the secretarial auditors of the company that the ESOP Schemes have been implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and in accordance with the resolutions passed by Members of the Company vide Postal Ballot on July 10, 2022 and all documents referred to in this Notice & Explanatory Statement will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e., Thursday, September 29, 2022. Members seeking to inspect such documents can send an email to corporateaffairs@delhivery.com.
16. Members desirous of seeking any information with regard to the Annual Report are required to write to the Company at corporateaffairs@delhivery.com at least 7 (seven) days prior to the date of AGM, so as to enable the Investors Relations team to keep the information ready.
17. Green Initiative: To support the Green Initiative, Members who have not registered their e-mail ID are requested to register their e-mail ID with their respective Depositories Participant/s, or RTA/ Company for receiving all communication including Annual Report, Notices, and Circulars etc. from the Company electronically.
18. Submission of PAN: Members are requested to note that furnishing of PAN issued by the Income Tax Department, Government of India is now mandatory in the following cases:- a) Legal Heirs'/Nominees' PAN Card for transmission of shares, b) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder, and c) Joint Holders' PAN Cards for transposition of shares.
19. Share Transfer permitted only in Demat: As per Regulation 40 of the SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialised form w.e.f. April 01, 2019. In view of the above and to avail the benefits of dematerialisation and for ease of portfolio management Members are requested to consider dematerialisation of the shares held by them in physical form.
20. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company by submitting Form No. SH-13 in terms of Section 72 of the Act to the RTA. Members holding shares in electronic form may submit the same to their respective Depository Participant/s. The nomination form can be downloaded from the Company's website <https://www.delhivery.com/investor-relations/> under the investor relations section. Members who require communication in physical form in addition to e-communication or have any other queries, may write to the RTA or Company at its Registered Office address.
21. Non-Resident Indian Members are requested to inform RTA, immediately of:
 - a. Change in their residential status on return to India for permanent settlement.
 - b. Particulars of their bank account maintained in India with complete name, branch, account number, account type and address of the Bank with pin code number.
22. Members' Communication: Members are requested to send all communications relating to shares, change of address, bank details, email address etc. to the RTA at the following address:

Link Intime India Pvt. Ltd ("LIPL"),
Address – C 101, 247 Park, L.B.S. Marg
Vikhroli (West) Mumbai 400083
Maharashtra, India
23. If the shares are held in electronic form, then change of address and change in the Bank Accounts etc. should be furnished by the Members to their respective Depository Participants (DPs).

Procedure for registering the e-mail addresses for obtaining the AGM Notice and remote e-Voting instructions by the Members whose e-mail addresses are not registered with the DPs (in case of Members holding shares in demat form) or with LIPL (in case of Members holding shares in physical form)

Those persons who are Members of the Company as on Cut-off date i.e. Thursday, September 22, 2022 and who have not yet registered their e-mail addresses are requested to get their e-mail addresses registered by following the procedure given below:

i. For Temporary Registration for Demat Member:

The Members of the Company holding equity shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with LIPL by clicking at their web site www.linkintime.co.in at the Investor Services tab by choosing the E-mail Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to LIPL at rnt.helpdesk@linkintime.co.in. On submission of the Member details an OTP will be received by the shareholder which needs to be entered in the link for verification.

ii. For Permanent Registration for Demat Member:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective DP by following the procedure prescribed by the Depository Participant/s.

iii. Registration of e-mail address for Member holding physical shares:

The Members of the Company holding equity shares of the Company in physical form and who have not registered their e-mail addresses may get their e-mail addresses registered with LIPL, by clicking: www.linkintime.co.in in their web site www.linkintime.co.in

at the Investor Services tab by choosing the e-mail Registration heading and follow the registration process as guided therein. The Members are requested to provide details such as Name, Folio Number, Certificate number, PAN, Mobile number and e-mail id and also upload the image of share certificate in PDF or JPEG format (upto 1 MB). In case of any query, a Member may send an e-mail to LIPL at rnt.helpdesk@linkintime.co.in. On submission of the Member details an OTP will be received by the Members which needs to be entered in the link for verification.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM ARE AS UNDER:-

The remote e-voting period begins on Monday, the September 26, 2022 at 10:00 A.M. (IST) and ends on Wednesday, the September 28, 2022 at 05:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, the September 22, 2022 may cast their vote electronically. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, the September 22, 2022.

How do I vote electronically using NSDL e-Voting system?




The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual Member holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual Member holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Member holding securities in demat mode is given below:

| Type of Member | Login Method |
|--|---|
| Individual Member holding securities in demat mode with NSDL. | <ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Member/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div> |
| Individual Member holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Member (holding securities in demat mode) login through their depository participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Member holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|---|
| Individual Member holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Member holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

B) Login Method for e-Voting and joining virtual meeting for Member other than Individual Member holding securities in demat mode and Member holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|------------------|
| a) For Members who hold shares 8 Character DP ID followed by 8 Digit Client ID in a demat account with NSDL. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. | |
| b) For Members who hold shares 16 Digit Beneficiary ID in demat account with CDSL. For example if your Beneficiary ID is 12***** then your user ID is 12*****. | |
| c) For Members holding shares in EVEN Number followed by Folio Number registered with the company Physical Form. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***. | |

5. Password details for Members other than Individual Member are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those Member whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of the company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining a virtual meeting, you need to click on the "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Member

1. Institutional Member (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by an e-mail at info@vapn.in with a copy marked to evoting@nsdl.co.in. Institutional Member (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members is available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager at evoting@nsdl.co.in

Process for those Members whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to corporateaffairs@delhivery.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to corporateaffairs@delhivery.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual Member holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Member are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ Member, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same as mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the AGM may register themselves at least seven days prior to the date of Meeting by sending an email to corporateaffairs@delhivery.com mentioning view/question alongwith their name, demat account number/folio number, email id, mobile number. Only those Members who are registered will be allowed to express their views or ask questions. The Company

reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM. The Company will coordinate with the selected speaker Members to guide them on the further process for smooth interaction.

6. Members who need assistance before or during the AGM, can contact NSDL at 1800 1020 990 / 1800 224 430 or contact Ms. Sarita Mote, Assistant Manager, NSDL at evoting@nsdl.co.in.

GENERAL INSTRUCTION FOR MEMBERS

- a. The Chairman shall formally propose to the Members participating through VC/ OAVM facility to vote on the resolutions as set out in this Notice of AGM and shall also announce the start of the casting of the vote at AGM through the e-voting platform of NSDL and thereafter the e-voting at AGM will commence.
- b. The Scrutiniser shall, immediately after the conclusion of e-voting at the AGM, first count the votes cast during the meeting, thereafter unlock the votes cast through remote e-voting and make a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, and submit the report to the Chairman of the Company or any person authorised in that respect, who shall countersign the same and thereafter announce the results of the e-voting within 2 (two) working days from the conclusion of AGM. The results declared along with the scrutiniser's report shall be placed on the Company's website at <https://www.delhivery.com/investor-relations/> and the website of RTA at <https://www.linkintime.co.in> and shall also be communicated to the stock exchanges viz. BSE Limited & National Stock Exchange of India Ltd. where the shares of the Company are listed. The resolutions shall be deemed to be passed at the AGM of the Company subject to obtaining requisite votes thereto.

EXPLANATORY STATEMENT

(Annexed to the Notice pursuant to Section 102 of the Companies Act, 2013)

The following statement sets out all material facts relating to certain ordinary and special businesses mentioned in the accompanying Notice of AGM:

Item No. 2:

As per the provisions of Section 152 of the Act read with Rules made thereunder of the Act and the provisions of Articles of Association of the Company, unless the Articles provide for the retirement of all Directors at every AGM, not less than two-thirds of the total number of Directors (other than Independent Directors) of a public company shall be persons whose period of office is liable to determination by retirement of directors by rotation and save as otherwise expressly provided in this Act, be appointed by the Company in General Meeting. One-third of such Directors shall retire from office at each AGM and are eligible for re-appointment. Mr. Suvir Suren Sujan is liable to retire by rotation at the AGM and being eligible, has offered himself for re-appointment.

Considering that Mr. Suvir Suren Sujan has requisite skills, competencies, expertise and experience, on the recommendations of the NRC, the Board is of the opinion that it would be in the interest of the Company to re-appoint him as a Non – Executive Director of the Company. Additional information in respect of Mr. Suvir Suren Sujan, pursuant to Regulation 36(3) of the SEBI Listing Regulations and SS-2: Secretarial Standard on General Meetings, is provided in **Annexure A** to this Notice. A brief profile of Mr. Suvir Suren Sujan is also provided in **Annexure B** to this Notice.

Except Mr. Suvir Suren Sujan himself and his relatives to the extent of their shareholding, if any, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in Item No. 2.

The Board recommends the resolution proposing the re-appointment of Mr. Suvir Suren Sujan as set out in Item No. 2 for approval of the Members by way of an Ordinary Resolution.

Item No. 3:

Pursuant to the provisions of the Act and SEBI Listing Regulations and based on the recommendations of the NRC, the Board vide its resolution dated July 08, 2022, had appointed Ms. Aruna Sundararajan (DIN: 03523267) as an additional – Non -Executive Independent Director for a period of 5 (five) years with effect from July 08, 2022, subject to approvals of the Members of the Company. She has also been appointed as member of Audit Committee and CSR & Sustainability Committee w.e.f. August 22, 2022.

It is proposed to seek the approval of the Members of the Company for the appointment of Ms. Sundararajan as a Non-Executive Independent Director (not liable to retire by rotation) for a period of 5 (five) years with effect from July 08, 2022.

The Company has received a notice in writing from a Member proposing the candidature of Ms. Sundararajan for the office of Director of the Company.

The Company has also received necessary consent from Ms. Sundararajan to act as Director and a declaration that she meets the criteria of Independence as prescribed under the Act and SEBI Listing Regulations. In the opinion of NRC and the Board, Ms. Sundararajan is a person of integrity and fulfils the conditions prescribed under the Act and SEBI Listing Regulations for her appointment as an Independent Director of the Company and is Independent of the Management.

Additional information in respect of Ms. Sundararajan, pursuant to Regulation 36(3) of the SEBI Listing Regulations and SS-2: Secretarial Standard on General Meetings, is provided in **Annexure A** to this Notice. A brief profile of Ms. Sundararajan is also provided in **Annexure B** to this Notice.

The details of remuneration payable to Ms. Sundararajan and terms & conditions of her appointment are given below:

Tenure: 5(five) years w.e.f. July 08, 2022.

Details of Remuneration:

Fixed remuneration: ₹60 (sixty) Lakhs per annum based on the time and efforts to be spent by Ms. Sundararajan and her valuable guidance for decision making by the Board / Committees along with an additional payment of ₹5 (five) Lakh for chairing any Committee of the Board, if appointed and ₹1 (one) Lakh sitting fees per Board / Committee meeting attended by her, as per the remuneration policy of the Company for Independent Directors.

The overall managerial remuneration to Ms. Aruna Sundararajan may exceed the limits specified in section 197 of the Act during the term of her tenure. The Company has not incurred any default in respect of any debt or interest payable thereon in the preceding and current Financial Year. Pursuant to Sections 196, 197 and other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Act, the appointment of Ms. Aruna Sundararajan along with the terms of remuneration, requires approval of the Members by way of Special Resolution.

The additional details as required under Schedule V (Part II) (Section II) of the Act, and as per the Secretarial Standards, are stated in **Annexure -C** to the Notice.

Except Ms. Sundararajan herself and her relatives to the extent of their shareholding, if any, none of the Directors and Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the Special Resolution as set out in Item No. 3 of the accompanying Notice.

Copy of the draft letter for appointment of Ms. Sundararajan as a Non-Executive Independent Director setting out the terms and conditions is available for inspection by the Members and shall remain open for inspection at the AGM.

The Board recommends the resolution proposing the appointment of Ms. Sundararajan as set out in Item No. 3 for approval of the Members by way of a Special Resolution.

Item No. 4:

As per the provisions of Section 152 read with the Rules made thereunder of the Act and the provisions of Articles of Association of the Company, unless the Articles provide for the retirement of all Directors at every "AGM, not less than two-thirds of the total number of Directors (other than Independent Directors) of a public company shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in this Act, be appointed by the company in General Meeting.

Mr. Sandeep Kumar Barasia (DIN: 01432123) was appointed as a Wholetime Director (designated as "Executive Director and Chief Business Officer") of Delhivery Limited ("Company") for a period of 5 (five) years with effect from October 13, 2021, not liable to retire by rotation, by the Members at their meeting held on October 15, 2021 on following terms:

Tenure: 5(five) years w.e.f. October 13, 2021

Details of Remuneration:

- Fixed Salary with merit based annual increments as may be recommended and approved by the Nomination and Remuneration Committee ("NRC") and the Board in the range of ₹4 crores (Four Crores) P.A. to ₹12 Crores (Twelve Crores) P.A.
- Performance related pay and annual bonus: Performance incentive / annual bonus, based on performance parameters as may be recommended and approved by the NRC and the Board.
- Additional Benefits: Gratuity, Medical Insurance & other perquisites/benefits as per Company Policy.
- The overall managerial remuneration payable to Mr. Barasia may exceed the limits specified in section 197 of the Act and if during his tenure, the Company has no profit or its profits are inadequate, the Company may pay him the above remuneration, as minimum remuneration for a period not exceeding 3 (three) years from the date of appointment, as may be recommended and approved by the NRC and the Board.

In order to strengthen the Corporate Governance Practice and as per the provisions of Section 152 of the Act read with Rules made thereunder, on the recommendations of NRC, the Board vide resolution dated July 08, 2022 has changed the terms of appointment of Mr. Barasia from "**not liable to retire by rotation**" to "**liable to retire by rotation**" subject to approval of Members of the Company and the other terms and conditions of his appointment including tenure and remuneration remains same as approved by the Members in their meeting held on October 15, 2021.

Additional Information regarding Mr. Barasia pursuant to Regulation 36(3) of the SEBI Listing Regulations and SS-2: Secretarial Standard on General Meetings is given in **Annexure A** to this Notice and brief profile of Mr. Barasia is also provided in **Annexure B** to this Notice.

Except Mr. Sandeep Kumar Barasia himself and his relatives to the extent of their shareholding, if any, none of the Directors and Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the Ordinary Resolution as set out in Item No. 4 of the accompanying Notice.

The Board recommends the resolution for change in terms of appointment of Mr. Sandeep Kumar Barasia as set out in Item No. 4 for approval of the Members by way of an Ordinary Resolution.

Item No. 5:

As per the provisions of Section 152 read with Rules made thereunder of the Act and the provisions of Articles of Association of the Company, unless the Articles provide for the retirement of all Directors (other than Independent Directors) at every AGM, not less than two-thirds of the total number of Directors of a public company shall be persons whose period of office is liable to determination by retirement of directors by rotation and save as otherwise expressly provided in this Act, be appointed by the Company in General Meeting.

Mr. Sahil Barua (DIN: 05131571) was appointed as a Managing Director and Chief Executive Officer of Delhivery Limited ("Company") for a period of 5 (five) years with effect from October 13, 2021, not liable to retire by rotation, by the Members at their meeting held on October 15, 2021 on following terms:

Tenure: 5(five) years w.e.f. October 13, 2021

Details of Remuneration:

- Fixed Salary with merit based annual increments as may be recommended and approved by the NRC and the Board in the range of ₹2.50 Crores (Two Crores Fifty Lacs) P.A. to ₹10 Crores (Ten Crores) P.A.
- Performance related pay and annual bonus: Performance incentive / annual bonus, based on performance parameters as may be recommended and approved by the NRC and the Board.
- Additional Benefits: Gratuity, Medical Insurance & other perquisites/benefits as per Company Policy
- The overall managerial remuneration payable to Mr. Barua may exceed the limits specified in section 197 of the Act and if during his tenure, the Company has no profit or its profits are inadequate, the Company may pay him the above remuneration, as minimum remuneration for a period not exceeding 3 (three) years from the date of appointment, as may be recommended and approved by the NRC and the Board.

In order to strengthen the Corporate Governance Practice and as per provisions of Section 152 of the Act read with Rules made thereunder, on the recommendations of NRC vide resolution dated July 08, 2022, the Board vide its resolution dated July 09, 2022 has changed the terms of appointment of Mr. Barua from "**not liable to retire by rotation**" to "**liable**

to retire by rotation” subject to approval of Members of the Company and the other terms and conditions of his appointment including tenure and remuneration remains the same as approved by the Members of the Company in their meeting held on October 15, 2021.

Additional Information regarding Mr. Barua pursuant to Regulation 36(3) of the SEBI Listing Regulations and SS-2 Secretarial Standard on General Meetings is given in **Annexure A** to this Notice and brief profile of Mr. Barua is also provided in **Annexure B** to this Notice.

Except Mr. Sahil Barua himself and his relatives to the extent of their shareholding, if any, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Ordinary Resolution as set out in Item No. 5 of the accompanying Notice.

The Board recommends the resolution for change in terms of appointment of Mr. Sahil Barua as set out in Item No. 5 for approval of the Members by way of an Ordinary Resolution.

Annexure A

| Sr. No. | Name of Director | Mr. Suvir Suren Sujan | Ms. Aruna Sundararajan | Mr. Sandeep Kumar Barasia | Mr. Sahil Barua |
|---------|--|---|---|---|--|
| 1. | Director Identification Number (DIN) | 01173669 | 03523267 | 01432123 | 05131571 |
| 2. | Date of Birth / Age | September 20, 1971 / 50 years | July 12, 1959 / 63 years | September 22, 1972/ 49 years | December 25, 1984/ 37 Years |
| 3. | Qualification | He holds a bachelor’s degree of science in electrical engineering from the University of Maryland, U.S.A. and a master’s degree in business administration from the Harvard University, U.S.A | She holds a bachelor’s degree in Economics and Master degree Philosophy from Madras University and Diploma Public Administration (International Institute of Public Administration, Paris) | He holds a bachelor’s degree in commerce from Bond University and a master’s degree in business administration from the London Business School, University of London. | He holds a bachelor’s degree in Mechanical Engineering from the National Institute of Technology Karnataka, Surathkal and a Post-Graduate Diploma in Management from the Indian Institute of Management Bangalore. |
| 4. | Date of original Appointment | September 09, 2014 | July 08, 2022 | July 01, 2015 | December 19, 2011 |
| 5. | Experience | He was previously associated with the Boston Consulting Group as Consultant and with Baazee.com India Private Limited as its Co-CEO and Director. | She has over 37 years of experience in establishing/ promoting a number of iconic initiatives, which were not only hailed as global best practices but which were also called up nationally, including the Akshaya e-literacy project in Kerala which became the model for the Common Service Centre Initiative, the Technopark and Infopark, Kochi, the Kerala Start-up Mission and the launch of one of the country’s very first mobile banking initiatives as early as in 2008-09. | He was previously associated with Bain & Company India Private Limited as a Vice-President (Partner). | He was previously associated with Bain & Company India Private Limited as Consultant. |
| 6. | Relationship with the Directors/ Managerial Personnel inter-se, if any | Nil | Nil | Nil | Nil |
| 7. | Directorship/ Partnership in other Indian Companies/ LLPs | 1. Nexus India Capital Advisors Private Limited 2. Crossborder Venture Advisors LLP | 1. Larsen & Toubro Infotech Limited 2. Bharat FIH Ltd 3. Cochin International Airport Ltd. 4. Digvridhhi Technologies Pvt Ltd 5. NabFid (National Bank of Infrastructure Financing and Development) | 1. Creative Hortifarms Private Limited 2. Mumtaz Hotels Limited 3. The Barasia Company Private Limited 4. DMT Strategists LLP | 1. DMT Strategists LLP |

| Sr. No. | Name of Director | Mr. Suvir Suren Sujan | Ms. Aruna Sundararajan | Mr. Sandeep Kumar Barasia | Mr. Sahil Barua |
|---------|--|---|---|---|---|
| 8. | No. of Meetings of Board of Directors attended during the Financial year 2021-22 | During the financial year 2021-22, 20 (Twenty) meetings of the Board of Directors were held and all the meetings were attended by him. | NA | During the financial year 2021-22, 20 (Twenty) meetings of the Board of Directors were held and all the meetings were attended by him. | During the financial year 2021-22, 20 (Twenty) meetings of the Board of Directors were held and all the meetings were attended by him. |
| 9. | Committee Membership/ Chairmanships of the Company | <ol style="list-style-type: none"> Nomination & Remuneration Committee (Member) Audit Committee (Member)* IPO Committee (Member)** M&A Committee (Member) | <ol style="list-style-type: none"> Audit Committee (Member)# CSR & Sustainability Committee (Member)# | CSR & Sustainability Committee (Member) | <ol style="list-style-type: none"> IPO Committee (Member)** M&A Committee (Member) CSR & Sustainability Committee (Member) |
| 10 | Shareholding in the Company | Nil. | Nil | As on March 31, 2022, he is holding 4,762,700 equity shares of ₹1/- each. | As on March 31, 2022, he is holding 13,407,798 equity shares of ₹1/- each. |
| 11. | Remuneration sought to be paid | Nil | Payment of remuneration of ₹60 (Sixty) Lakhs per annum with an additional payment of ₹5 (Five) Lakhs for chairing any Committee of the Board, if appointed and ₹1 (One) Lakhs sitting fees per Board / Committee meeting(s) attended by her | Remuneration is being paid as per the approval of the Members of the Company vide their resolution dated October 15, 2021. | Remuneration is being paid as per the approval of the Members of the Company vide their resolution dated October 15, 2021. |
| 12. | Remuneration last drawn (For FY 2021-2022) | Nil | Nil | ₹290.93 million (including one time performance incentive and excluding perquisite value on exercise of ESOPs as detailed in the Corporate Governance Report) | ₹278.43 million (including one time performance incentive as detailed in the Corporate Governance Report) |
| 13. | Resignation from listed entities in past three years | Nil | Resigned from HT Media Ltd on June 15, 2020. | Nil | Nil |
| 14. | Terms and conditions of appointment/ re-appointment | As stated in the resolution and explanatory statement | As stated in the resolution and explanatory statement | As stated in the resolution and explanatory statement | As stated in the resolution and explanatory statement |

* Appointed as member of Audit Committee w.e.f. April 19, 2022.

** Consequent upon the completion of IPO and listing of the shares of the Company w.e.f. May 24, 2022, the IPO committee stand dissolved.

Appointed as member of Audit Committee and CSR & Sustainability Committee w.e.f. August 22, 2022.

Annexure B

Brief Profile of Directors seeking appointment/ re-appointment/ change in terms of their appointment at the AGM

Mr. Suvir Suren Sujan, holds a bachelor's degree of science in electrical engineering from the University of Maryland, U.S.A. and a master's degree in business administration from the Harvard University, U.S.A. He was previously associated with the Boston Consulting Group as Consultant and with Baazee.com India Private Limited as its Co-CEO and Director.

Ms. Aruna Sundararajan is a 1982 batch Kerala Cadre officer of the Indian Administrative Service ('IAS'). She superannuated on July 31, 2019 as Chairperson of the Digital Communications Commission, and the Secretary (Telecom), Government of India. As Secretary DOT, she was the chief architect of the National Digital Communications Policy 2018 which aims to propel India as a global leader in Digital Communications. Key achievements during her tenure were the launch of the country's 5G roadmap, establishment of indigenous Test Bed, launch of the National Frequency Allocation Plan- 2018, and completion of the first phase of BharatNet. Additionally, her tenure saw the biggest wave of consolidations and mergers in the telecom industry including the largest M&A in India, a virtual tripling of telecom infrastructure, massive expansion in the activities of the USOF to cover the uncovered areas and promotional initiatives for start-ups in the telecom sector. Prior to this, she served as the Secretary, Ministry of Electronics and Information Technology (MeitY), where she drove the Digital India initiatives, particularly during the post-demonetization phase. During her tenure, she was instrumental in establishing India as a major hub for electronics, particularly mobile manufacturing; launch of the BHIM app and the campaign for digital payments, use of Aadhaar for DBT, enhancing India's role in internet governance and establishing the National Cyber Control Centre i.e. NCCC for cyber security.

She was a key member of the Governments High level Committee under Justice Srikrishna on Data Protection and Chair of the Committee to evolve a policy framework for addressing Digital Investment and Content issues.

In her over 37 years in Government, she has been a pioneer in establishing/ promoting a number of iconic initiatives, which

were not only hailed as global best practices but which were also called up nationally, including the Akshaya e-literacy project in Kerala which became the model for the Common Service Centre Initiative, the Technopark and Infopark, Kochi, the Kerala Start-up Mission and the launch of one of the country's very first mobile banking initiatives as early as in 2008-09.

Some of the honors bestowed in the past include the Top Professional Women Achievers by India Today in 2009, Top Professional Women Achievers by Forbes Business Magazine in Aug 2012, The USIBC Transformative Leadership Award 2017 and Business Today's 10 Most Powerful Women for 2018. In November 2018, Intel felicitated her with the Technology Visionary Award. In January 2019, she was bestowed the Digital Woman of the Year by IAMAI, at the 9th India Digital Awards, and was unanimously selected as the Telecom Person of the Year by Voice and Data in Feb 2019.

Mr. Sandeep Kumar Barasia is an Executive Director and Chief Business Officer at Delhivery, and is responsible for overall revenue, strategy, business development and corporate development. He also works closely with the Founder/CEO of Delhivery on investor engagements.

Sandeep has over 27 years of experience across consulting, industry, and entrepreneurship in India and abroad. He holds a MBA from London Business School and a B Com degree from Bond University, Australia. He was previously associated with Bain & Company as a Vice-President (Partner), focused on the consumer sector, and also founded the Bain Capability Centre. Sandeep serves as an Independent Director on the Board of Mumtaz Hotels (the holding company of Oberoi Amarvillas). He was the co-Chair of the CII National Committee on Logistics for 2018-2020.

Mr. Sahil Barua is the Managing Director and Chief Executive Officer at Delhivery.

He holds a bachelor's degree in Mechanical Engineering from the National Institute of Technology Karnataka, Surathkal and a Post-Graduate Diploma in Management from the Indian Institute of Management Bangalore. He worked previously at Bain & Company as Management Consultant.

Annexure - C**STATEMENT OF INFORMATION REQUIRED TO BE DISCLOSED UNDER SCHEDULE V (PART II) (SECTION II) OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA****I. General Information:**

| Nature of Industry | The Company is in the logistics industry, which includes transportation and supply chain services. The industry is largely fragmented and is dominated by a large number of unorganised players. The major segments of the industry are domestic transportation which is divided into road, rail and air transportation, cross border transportation which is divided into air & shipping transportation and warehousing & supply chain services. | | | | | | |
|---|---|------------|---|-------------------------|-----------|------|------------|
| Date or expected date of commencement of commercial production | Not Applicable | | | | | | |
| In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus | Not Applicable | | | | | | |
| Financial performance based on given indicators | <table border="1"> <thead> <tr> <th>Particular</th> <th>For the financial year ended March 31, 2022 Amount (₹ in Million) (Standalone)</th> </tr> </thead> <tbody> <tr> <td>Revenue from Operations</td> <td>59,109.96</td> </tr> <tr> <td>Loss</td> <td>(8,625.17)</td> </tr> </tbody> </table> | Particular | For the financial year ended March 31, 2022 Amount (₹ in Million) (Standalone) | Revenue from Operations | 59,109.96 | Loss | (8,625.17) |
| Particular | For the financial year ended March 31, 2022 Amount (₹ in Million) (Standalone) | | | | | | |
| Revenue from Operations | 59,109.96 | | | | | | |
| Loss | (8,625.17) | | | | | | |
| Foreign investments or collaborations, if any | <p>Foreign Investments in Delhivery</p> <p>Foreign Equity Shareholding is 67.18%* i.e. 539,995,909 equity shares of the face value of ₹1 each.</p> <p>*% calculated on a fully diluted basis including ESOP pending for grant and/or exercise.</p> <p>Foreign Investments by Delhivery</p> <p>Delhivery Limited has the following wholly owned foreign subsidiary (100% equity):</p> <ol style="list-style-type: none"> 1) Delhivery USA LLC- Investment of 6,631,060 USD 2) Delhivery Corp Limited- Investment of 2,269,165 GBP 3) Delhivery HK Pte Ltd- Investment of 2,209,446 HKD 4) Delhivery Singapore Pte Ltd- Investment of 2,000,000 USD | | | | | | |

II Information about the appointee:

| | |
|---------------------|--|
| Background Details: | <p>Ms. Sundararajan is a 1982 batch Kerala Cadre officer of the Indian Administrative Service ('IAS'). She superannuated on July 31, 2019 as Chairperson of the Digital Communications Commission, and the Secretary (Telecom), Government of India.</p> <p>As Secretary DOT, she was the chief architect of the National Digital Communications Policy 2018 which aims to propel India as a global leader in Digital Communications. Key achievements during her tenure were the launch of the country's 5G roadmap, establishment of indigenous Test Bed, launch of the National Frequency Allocation Plan- 2018, and completion of the first phase of BharatNet. Additionally, her tenure saw the biggest wave of consolidations and mergers in the telecom industry including the largest M&A in India, a virtual tripling of telecom infrastructure, massive expansion in the activities of the USOF to cover the uncovered areas and promotional initiatives for start-ups in the telecom sector.</p> <p>Prior to this, she served as the Secretary, Ministry of Electronics and Information Technology (MeitY), where she drove the Digital India initiatives, particularly during the post-demonetization phase. During her tenure, she was instrumental in establishing India as a major hub for electronics, particularly mobile manufacturing; launch of the BHIM app and the campaign for digital payments, use of Aadhaar for DBT, enhancing India's role in internet governance and establishing the National Cyber Control Centre i.e. NCCC for cyber security.</p> <p>She was a key member of the Governments High level Committee under Justice Srikrishna on Data Protection and Chair of the Committee to evolve a policy framework for addressing Digital Investment and Content issues. She served as the Secretary to the Ministry of Steel, Government of India, where she was responsible for the introduction of a Minimum Import Price to counter cheap imports; thus ensuring the turnaround of the domestic steel industry. Much earlier, in 1988, she established and headed the Kerala government's IT Department, amongst the first states to do so in the country.</p> <p>In her over 37 years in Government, she has been a pioneer in establishing/ promoting a number of iconic initiatives, which were not only hailed as global best practices but which were also called up nationally, including the Akshaya e-literacy project in Kerala which became the model for the Common Service Centre Initiative, the Technopark and Infopark, Kochi, the Kerala Start-up Mission and the launch of one of the country's very first mobile banking initiatives as early as in 2008-09.</p> |
|---------------------|--|

| | |
|---|--|
| Past Remuneration | Not Applicable |
| Recognition or awards | Some of the honors bestowed in the past include the Top Professional Women Achievers by India Today in 2009, Top Professional Women Achievers by Forbes Business Magazine in Aug 2012, The USIBC Transformative Leadership Award 2017 and Business Todays 10 Most Powerful Women for 2018. In November 2018, Intel felicitated her with the Technology Visionary Award. In January 2019, she was bestowed the Digital Woman of the Year by IAMAI, at the 9 th India Digital Awards, and was unanimously selected as the Telecom Person of the Year by Voice and Data in Feb 2019. |
| Job Profile and his suitability | Non-Executive Independent Director |
| Remuneration Proposed | As mentioned in the resolution and Explanatory Statement forming part of this notice. |
| Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin) | The Nomination and Remuneration Committee constituted by the Board, perused the remuneration of Independent Directors in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Ms. Sundararajan before recommending the remuneration as proposed hereinabove as per the Nomination and Remuneration Policy of the Company. The Company believes that the remuneration proposed to be paid is appropriate and commensurate with the level of her expertise and profile |
| Pecuniary relationship directly or indirectly with the company, or relation with the managerial personnel, if any. | Besides the proposed remuneration, Ms. Sundararajan does not have any pecuniary relationship with the Company or managerial personnel either Directly or Indirectly. |

II. Other Information:

| | |
|---|---|
| Reason for loss or inadequate profits | FY22 financial performance was impacted due to Covid-19. The increase in losses is on account of increase in: (i) certain non-cash, non-recurring costs such as fair value loss on financial liabilities through profit or loss, (ii) non-cash share based payment expense and (iii) one-time payment to employees. |
| Steps taken or proposed to be taken for improvement | The Company continues to invest in technology, infrastructure and people to further enhance the scale of its operations. There is significant operating leverage in the Company's business and therefore an increase in scale of operations is expected to improve the profitability of the Company. The Company also continuously undertakes cost optimisation measures to achieve improved productivity of key operating resources. |
| Expected increase in productivity and profits in measurable terms | The Company has significant operating leverage in its business operations, and as the scale of its business grows further, the Company would have a higher ability to absorb fixed expenses, increase resource utilisation, enhance employee efficiency and improve profitability. The same can be seen in the improving Adjusted EBITDA margin over the years. |

III. Disclosures

There are other disclosures as per **Annexure A** and **Annexure B** in addition to information forming part of the explanatory statement of the AGM notice.

By order of the Board of Directors
For Delhivery Limited
(formerly known as Delhivery Private Limited)

Sunil Kumar Bansal
Company Secretary and Compliance Officer
M. No. FCS 4810
Place: Plot No.5, Sector-44, Gurugram, Haryana-122002
Date: August 22, 2022

DELHIVERY

Annual Report
2021-22



We are India's largest and fastest growing logistics services player by revenue.



Efficiency. Speed. Precision. Resilience.

From some of the biggest trucking terminals in the country to multi-tenant fulfillment centres to automated sortation centers in 21 cities to delivery centres in the most distant locations, our infrastructure, network design and engineering capabilities deliver cheaper, faster and more precise supply chain solutions to thousands of businesses daily.



Technology for India, from India.

Our transportation and warehousing services are powered by proprietary technology systems that encompass our operations and power nearly 10,000 partners across the country. Over 250 million data points collected daily on orders, products, locations, road conditions and weather guide real-time decision making to deliver lower costs and higher service quality.



Contents

Corporate Overview

- 8 Delivery Snapshot
- 10 Our services
- 12 Letter to the Shareholders
- 14 Board and Management Team
- 20 Performance Trends
- 22 Business Strategy
- 28 Our Team
- 30 ESG Initiatives

Statutory Section

- 34 Directors' Report
- 70 Management Discussion and Analysis
- 78 Corporate Governance Report

Financial Statements

- 100 Independent Auditor's Report on Standalone Financial Statements
- 108 Balance Sheet
- 109 Statement of Profit & Loss
- 110 Cash Flow Statement
- 112 Statement of Changes in Equity
- 176 Independent Auditor's Report on Consolidated Financial Statements
- 184 Consolidated Balance Sheet
- 185 Consolidated Statement of Profit & Loss
- 186 Consolidated Cash Flow Statement
- 188 Consolidated Statement of Changes in Equity



Listing ceremony on May 24, 2022
at the National Stock Exchange in Mumbai.

Delhivery Snapshot

Building the operating system for commerce

We service India's leading e-commerce marketplaces, direct-to-consumer e-tailers, omni-channel consumer brands and enterprises across diverse verticals including automotive, fashion and lifestyle, FMCG, retail, consumer durables, chemicals and heavy industry.



FY22 Highlights

Financial¹

₹72,414 Mn
Revenue from operations

63%²
Revenue growth YoY

₹715 Mn
Adjusted EBITDA

1.0%
Adjusted EBITDA margin

Scale³

18.1 Mn Sq. Ft.
Total infrastructure

23,613
Active customers

18,074
Pin-code reach

220+
Countries served

94,000+
Team size

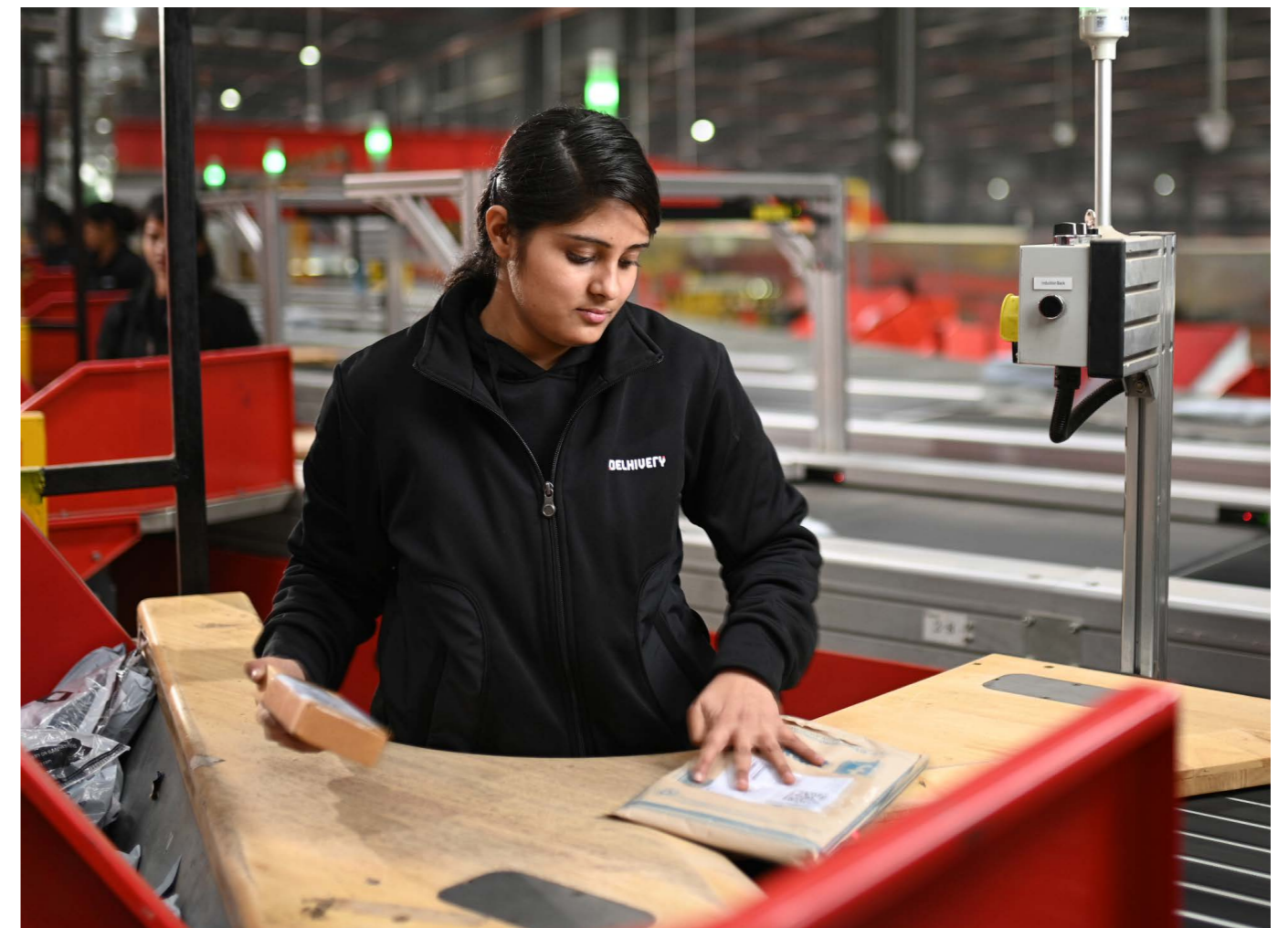
Operational

582 Mn
Express parcels delivered

1,579K¹ Tonnes
PTL Freight delivered

45,000+
TL Trips completed

1. On a pro forma basis
2. FY21 and FY22 on pro forma basis
3. As of end of FY22



Our services

Express Parcel

We provide same-day and next-day delivery services in all major cities with 48-96 delivery timelines pan-India for parcels weighing up to 10 kilogram and for specialised delivery of Heavy Goods like white goods, appliances, furniture and sports equipment. Consumers can also directly access our services via Delhivery Direct, available on www.delhivery.com and on the iOS and Android app stores.

We also provide value-added services including end-to-end returns management, doorstep quality inspection, product replacement, person-specific/time-specific/address-specific delivery, fraud detection and support for all forms of digital payment.

Part Truckload Freight (PTL)

We operate one of the largest express Part Truckload networks in the country post our acquisition of Spoton in August 2021. We provide door-to-door and hub-to-hub delivery, time-definite and appointment based delivery services and value-added services such as delivery of oversize cargo, multi-modal freight delivery, contactless delivery, electronic PODs and returns management.

Our Part Truckload freight and Express networks share teams, fleet, infrastructure and technology systems, enabling us to provide e-commerce equivalent turnaround times and provide direct reach across 18,000+ pincodes to freight customers via integrated, automated gateways and a fleet of tractor-trailer trucks across mainline line-haul routes.

Truckload Freight (TL)

Our digital freight brokerage platform (Orion) provides freight matching services, connecting shippers with spot and long-term truckload demand to fleet-owners and suppliers of truckload capacity. Shippers and registered fleet owners and agents can manage operational and financial processes including indent creation, bidding, real-time tracking, documentation and financial transactions via the Orion Platform and "Axle", our in-house application available on the iOS and Android app stores.

As of FY22, over 82,000 trucks have been registered on the Orion platform with over 375,000 truck placements completed for external customers as well as Delhivery's own line haul requirements.

Supply Chain Services

We enable leading enterprises across industries to reduce logistics and inventory costs, deliver higher service quality to their customers and maintain resilience through peak periods and disruptive events.

Our clients can access 95 of our multi-tenant warehouses with 6.37 million square feet of warehousing infrastructure, each of which is seamlessly integrated with our Express Parcel, Part Truckload, Truckload and Cross-Border transportation network along with a full suite of proprietary channel, inventory and order management and supply chain visibility and business intelligence tools.

Cross-Border Services

We provide door-to-door and port-to-port cross-border express parcel and air-freight services to over 220 countries through strategic, reciprocal partnerships with leading global players like FedEx and Aramex and our global shipping platform, 'Starfleet'. 871 customers availed our Cross-Border Services, transacting over 240,000 international express and e-commerce orders and over 5,000 tonnes of air-freight in FY22.



The Delhivery Ecosystem



International customs clearance, pickup and delivery services to 220+ countries



Robotics, parcel and freight sortation, material conveyance and warehouse management solutions for the future



Proprietary technology for unmanned aerial vehicles (UAVs)



Industry leading position in Part Truckload freight



Channel, order and inventory management services for direct-to-consumer (D2C) and SME customers for e-commerce and omni-channel operations



Fleet and transaction management for fleet-owners on our Orion platform

Letter to the Shareholders

We are unlocking the true power of logistics for India

Dear Shareholders,

We welcome you to the Delhivery family and are delighted to write to you here as part of Delhivery's first Annual Report after our public listing.

Large economies have always been serviced by large, efficient logistics companies around the world. While the Indian economy has progressed remarkably in recent decades, be it in retail, information technology, telecommunications, consumer financial services or consumer internet, logistics remains unorganised, fragmented and under-developed. Delhivery aims to address this gap through world-class design, automation and technology that is uniquely conceived in and relevant to India.

An Indian model for India

At the heart of our operations is our distinctive mesh network model that is asset light and uniquely designed for scale, reliability and efficiency in markets like India, inspired from our management team's prior experience in telecommunications network

As our customers' needs evolve, our aim will be to continuously test and launch new value-added services and capabilities to meet their needs.

design. The power of this model is further enhanced by self-designed automation systems, infrastructure and cutting-edge, proprietary technology to solve uniquely Indian problems like routing through complex city topographies, address quality and geographical constraints.

Today, we operate the largest automated integrated parcel and freight terminals in India and have established automated parcel sortation capacity of close to 4 million packages/day across 21 gateways. Building for a market as large and rapidly evolving as India will require us to stay continuously ahead of our customers' needs by investing in future-ready capabilities. We will continue to enhance our existing automation capabilities while also introducing pioneering technology into our operations, like AGV/AMR, ASRS systems exoskeletons, machine vision and UAVs.

Creating shareholder value out of customer value

The Indian market has historically been serviced by monoline logistics players focused on specific capabilities or industry verticals. In 2015 we took what was then seen as a bold step, of building multiple complementary and reinforcing capabilities concurrently, when we launched fulfilment and PTL freight services alongside our existing Express Parcel service.

This required considerable investment in building operational, automation and technology capabilities, but was fundamentally based on putting customer needs for resilience and efficiency in their overall supply chains at the heart of our design. Between FY15 and FY22, as we have scaled these new services, our business has grown at a CAGR of 64.4%, making us the largest independent, integrated logistics company in India. We are happy to report that customers have embraced our integrated approach, with over 58% of our revenues contributed by customers using two or more services in FY22.



64.4%

CAGR from FY15 to FY22¹, making us the fastest growing independent, integrated logistics company in India

94,000+

people make up the Delhivery team and form the backbone of our organisation

1. FY22 revenue on a pro forma basis



As our customers' needs evolve, our aim will be to continuously test and launch new value-added services and capabilities to meet their needs. This year, for example, we launched Primaseller and Unified Customer Portal, aimed at omni-channel and direct-to-consumer e-commerce retailers and Delhivery Direct, for individual consumers and micro-enterprises. We also started helping small LTL clients by providing an option to cover the damage/loss risk arising from transportation of goods.

Enablement over control: technology for inclusion

The top 10 organised logistics players in India have a minuscule share (~1.5%) of the overall market. Asset owners and operators in India continuously struggle with issues like poor utilisation, access to basic technology solutions, poor asset maintenance and lack of cost-effective access to capital. Over 85% of fleet-owners own and operate less than 20 trucks and over 90% of warehouses are less than 10,000 square feet in size.

We have chosen to remain asset-light and focused on creating access to demand as well as improving operational capabilities of asset owners and operators like delivery agents, fleet-owners and warehouse owners by enabling access to our technology systems and thereby

including them in the growth and evolution of Indian logistics. Everyday our proprietary applications empower nearly 10,000 partners and over 34,000 agents, who in turn power our network across the country. We are also operationalizing our proprietary OS1 platform and application marketplace to enable other LSPs, enterprises, logistics-tech companies and individual developers.

Stronger together

Over 94,000 people make up the Delhivery team and form the backbone of our organisation. Our approach has always been and will remain to recruit people who exhibit judgement, teamwork, integrity, courage and customer centricity and grow them within the organisation – a preference for stem-cells over transplants. This is reflected in the long tenure of our experienced management team, broad-based ownership created through ESOP schemes across all levels of the company and the diversity of our workforce.

Going forward we will continue to invest in strengthening our talent development through initiatives including the Delhivery Academy, scaling up targeted training, recruiting programs for women in logistics and expanding our talent pool with offices in Tier-1 and Tier-2 cities.

In conclusion

At this juncture we look back at our journey to the public markets with pride and at the road ahead with optimism and confidence. We firmly believe that Indian logistics is in the midst of a fundamental transformation, in which we will have a defining role to play. We at Delhivery remain deeply committed to solving the customers' most challenging problems and are equipped with the organisational capability, technical and engineering skills, financial resources and the passion to build an iconic Indian enterprise.

We are deeply grateful to our customers for giving us the opportunity to service them, the families of the Delhivery team for their support and inspiration. And finally, to you, our individual and institutional shareholders for the faith you have reposed in us. Our aim is to continue to be mindful fiduciaries of your capital and, more importantly, the trust you have placed in us as shareholders.

Deepak Kapoor, Chairman and Non-Executive Independent Director

Sahil Barua, Sandeep Barasia and Kapil Bharati, Executive Directors

Board of Directors

Wealth of experience and imagination at work



Deepak Kapoor
Chairman and Non-Executive Independent Director




Romesh Sobti
Non-Executive Independent Director




Kalpana Jaisingh Morparia
Non-Executive Independent Director



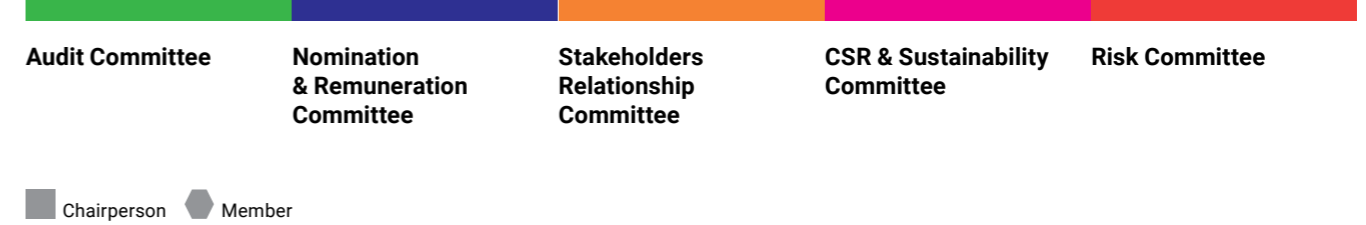

Srivatsan Rajan
Non-Executive Independent Director




Saugata Gupta
Non-Executive Independent Director



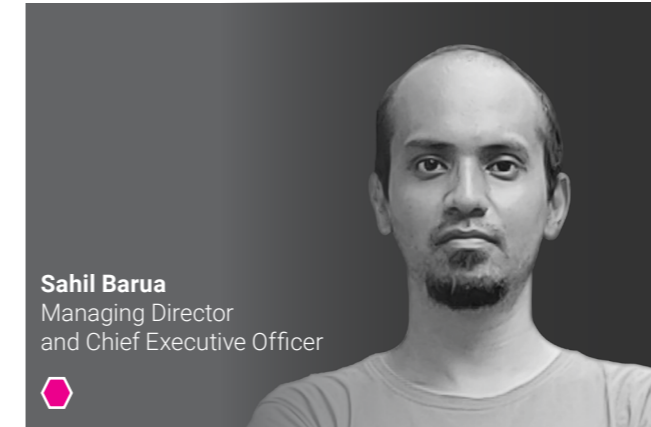

Aruna Sundararajan
Non-Executive Independent Director


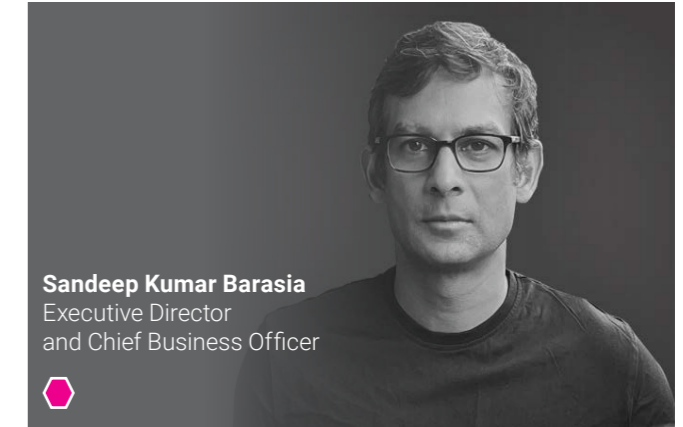

Suvir Suren Sujan
Non-Executive Director




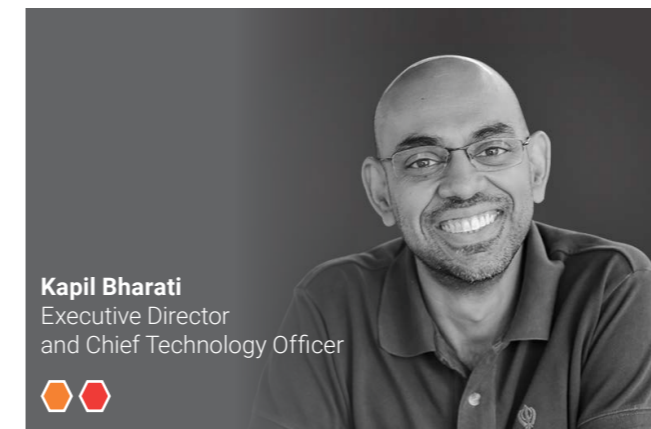

Donald Francis Colleran
Non-Executive Director




Sahil Barua
Managing Director and Chief Executive Officer

Sandeep Kumar Barasia
Executive Director and Chief Business Officer

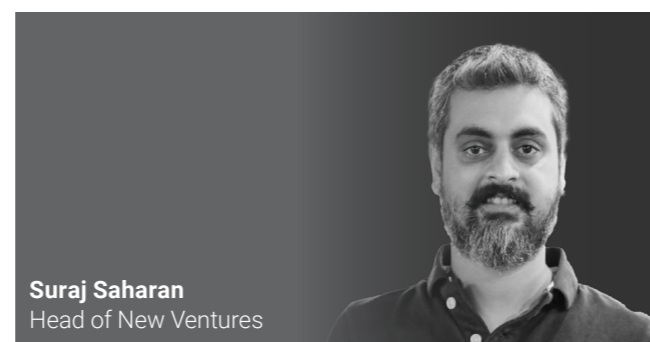
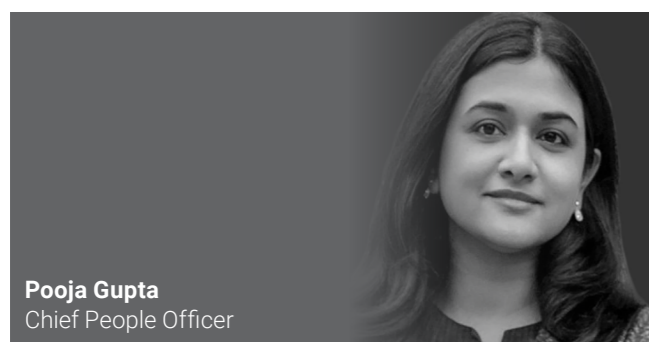
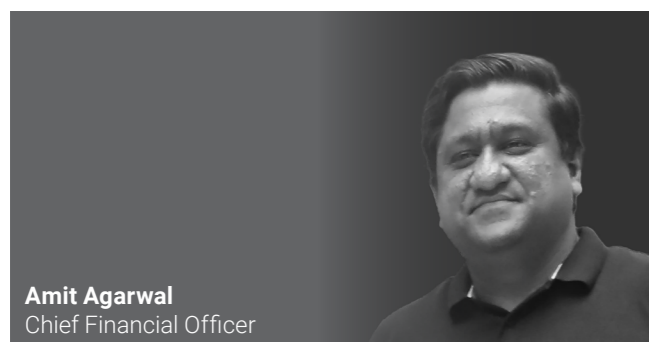
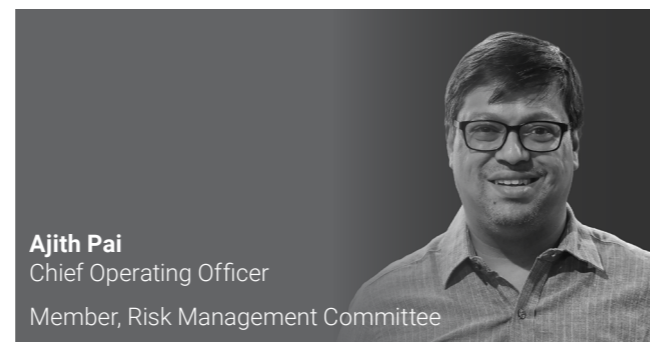
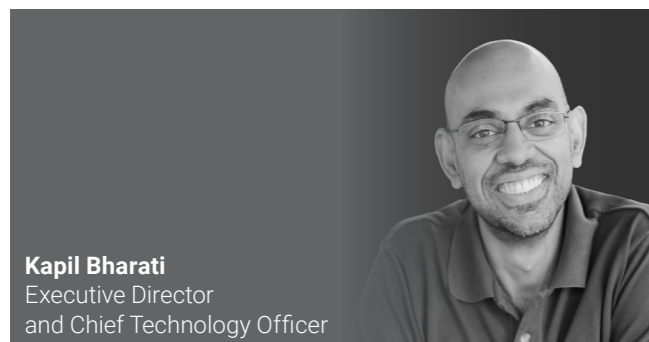
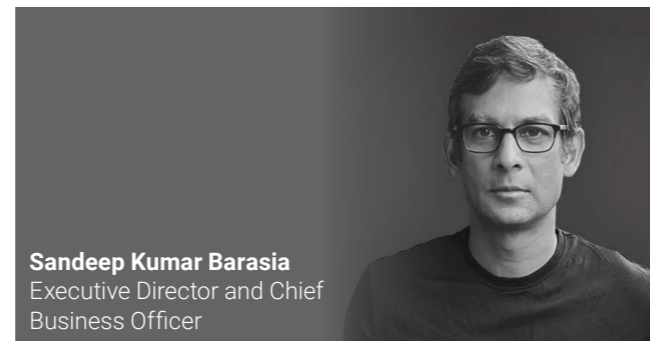
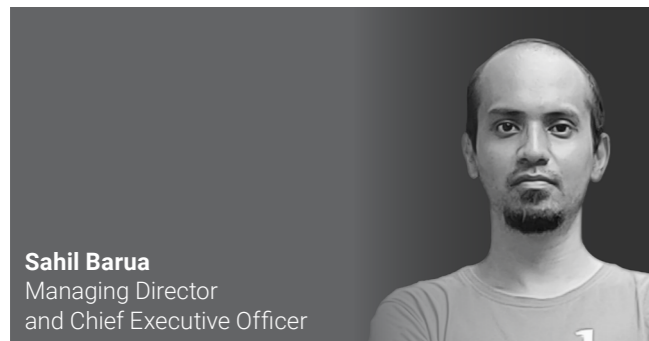



Kapil Bharati
Executive Director and Chief Technology Officer

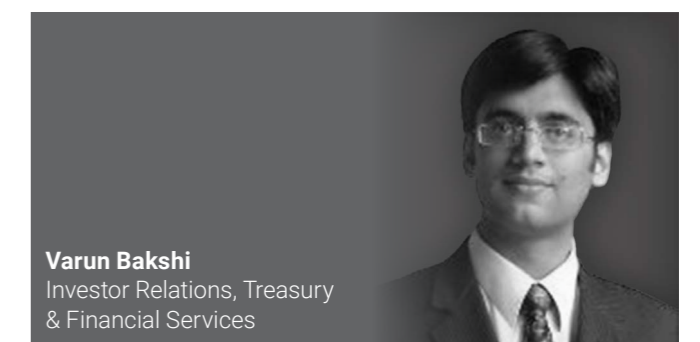
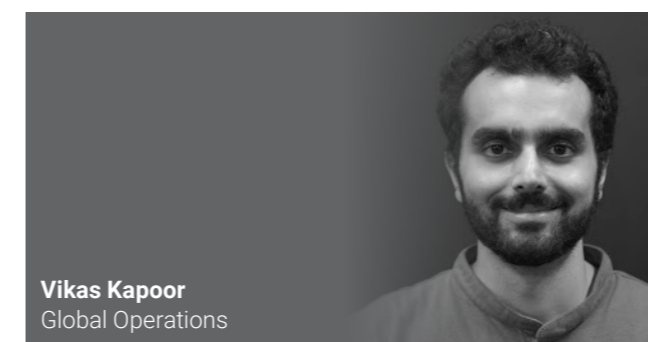
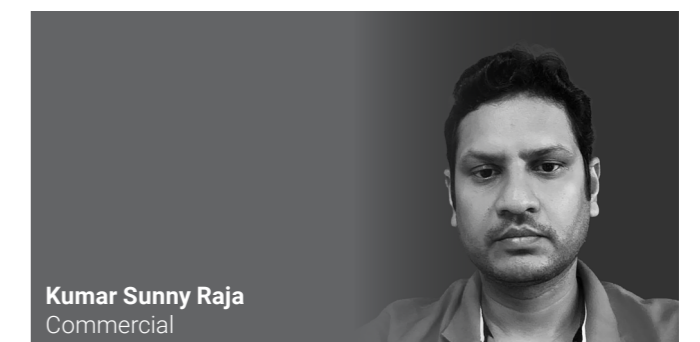
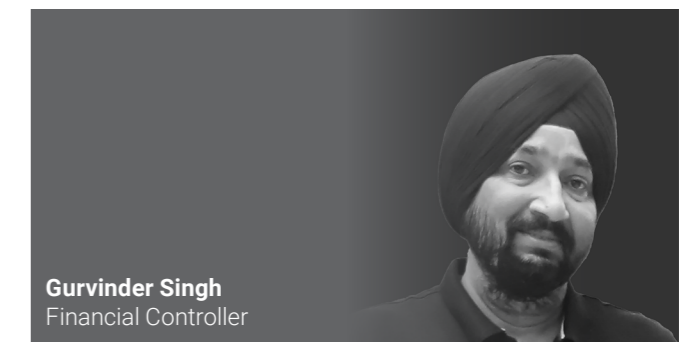
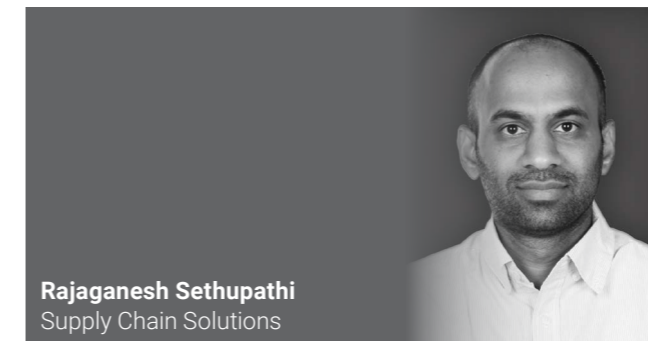


Management Team

Senior Leadership



Business Leadership

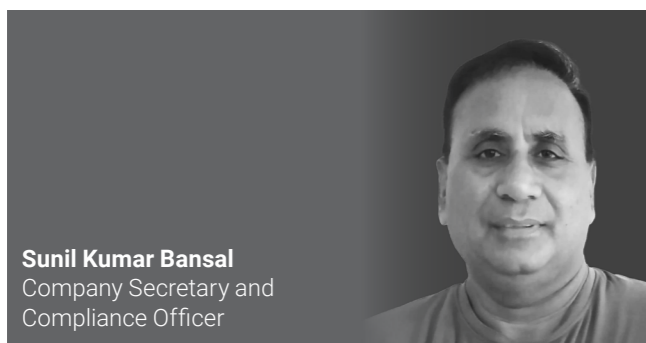
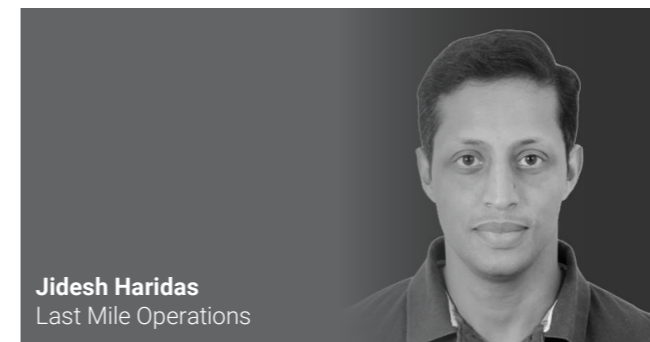
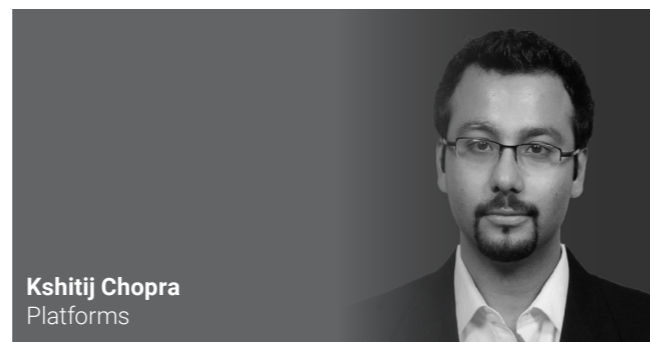
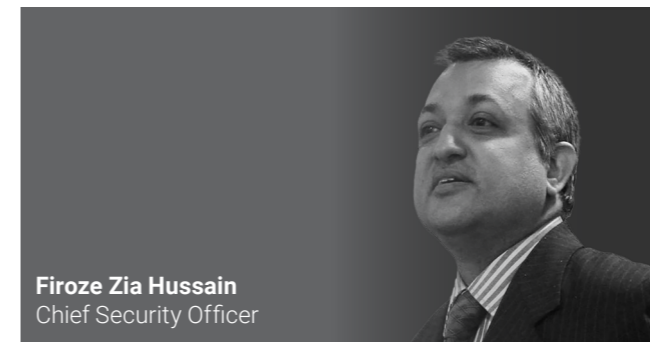
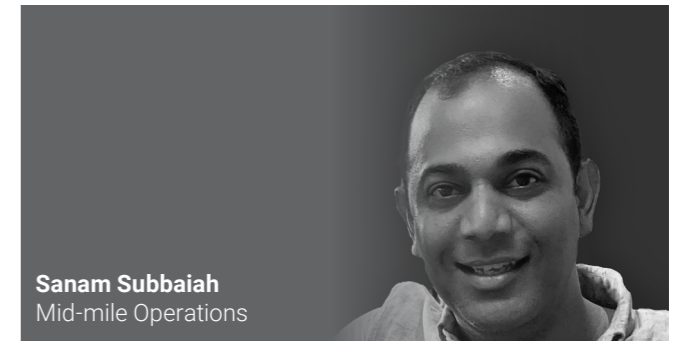
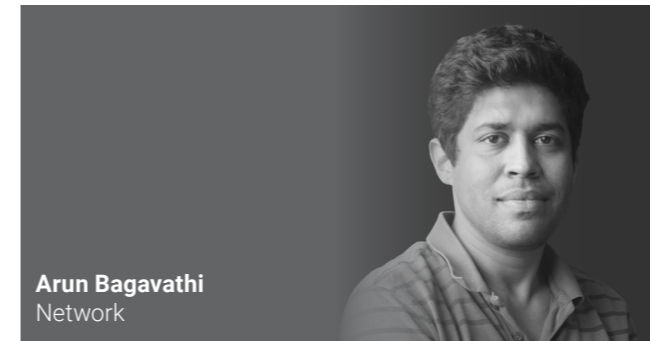
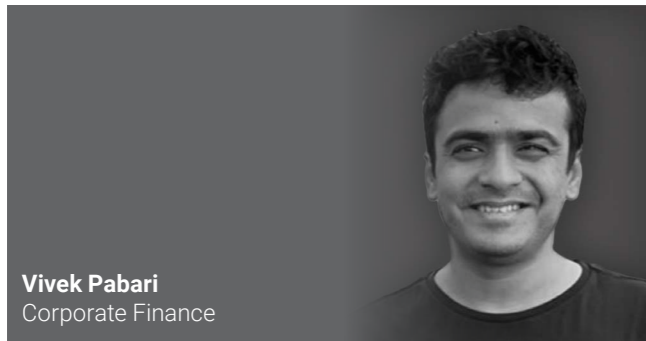


Management Team

Business Leadership

Technology Leadership

Operations Leadership

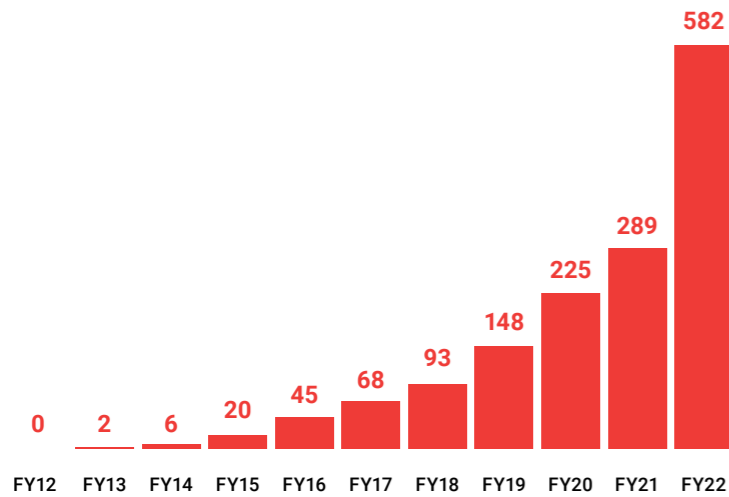


Performance Trends

Rapid volume growth

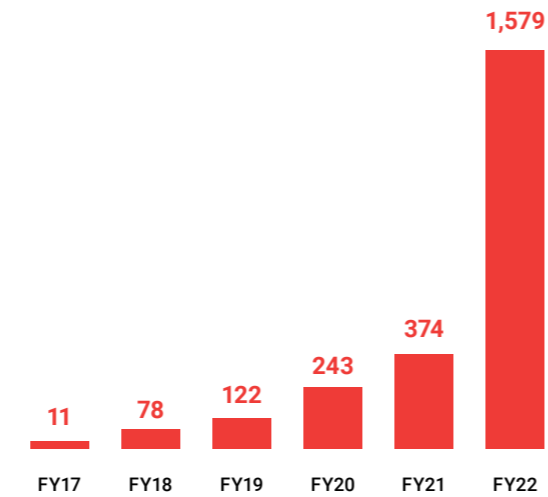
Express Parcel shipment volume (Mn)

582 Mn



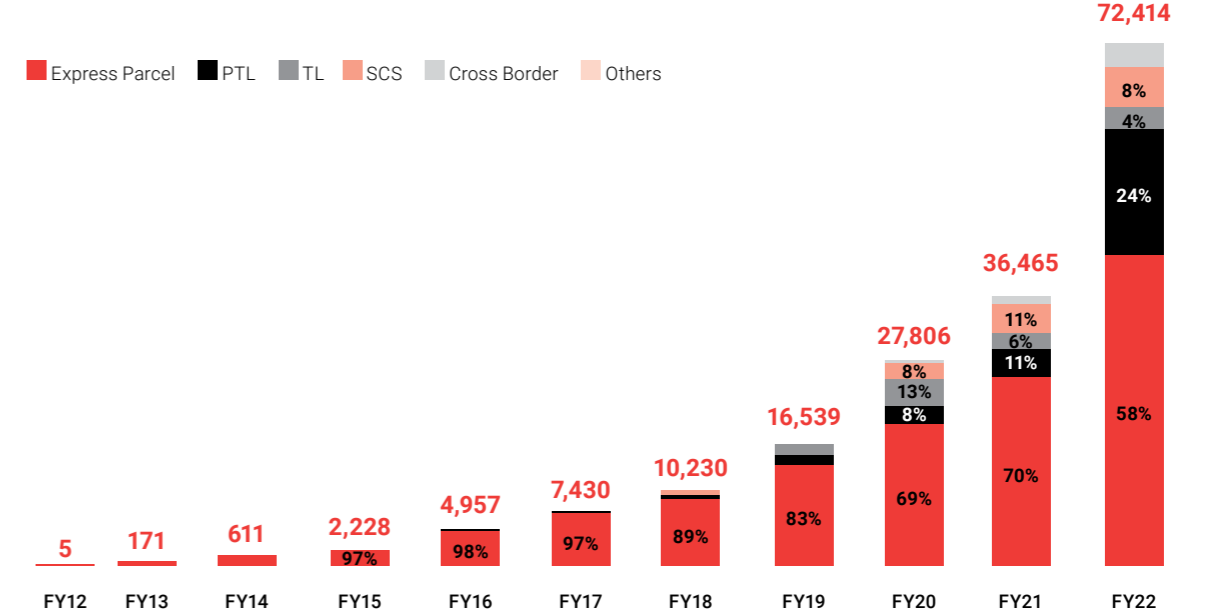
Part Truckload tonnage¹ ('000 Tonnes)

1,579K Tonnes



¹ FY22 on pro forma basis

Revenue is diversifying rapidly... (₹Mn)



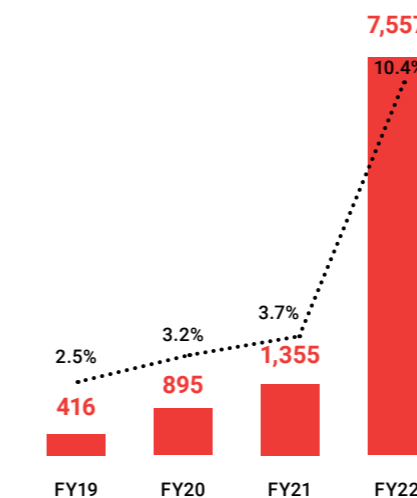
FY22 figures are on proforma basis



...with improving profitability

Service EBITDA (₹Mn)

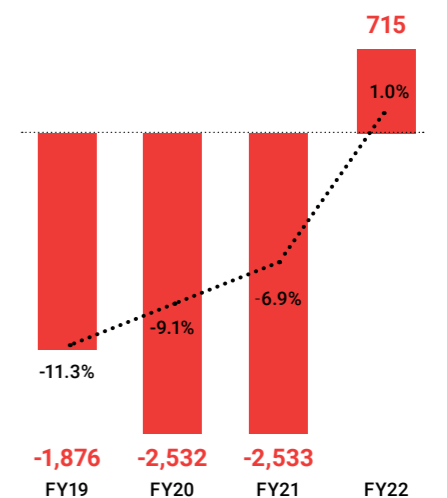
₹7,557 Mn



..... Service EBITDA margin (%)

Adjusted EBITDA (₹Mn)

₹715 Mn

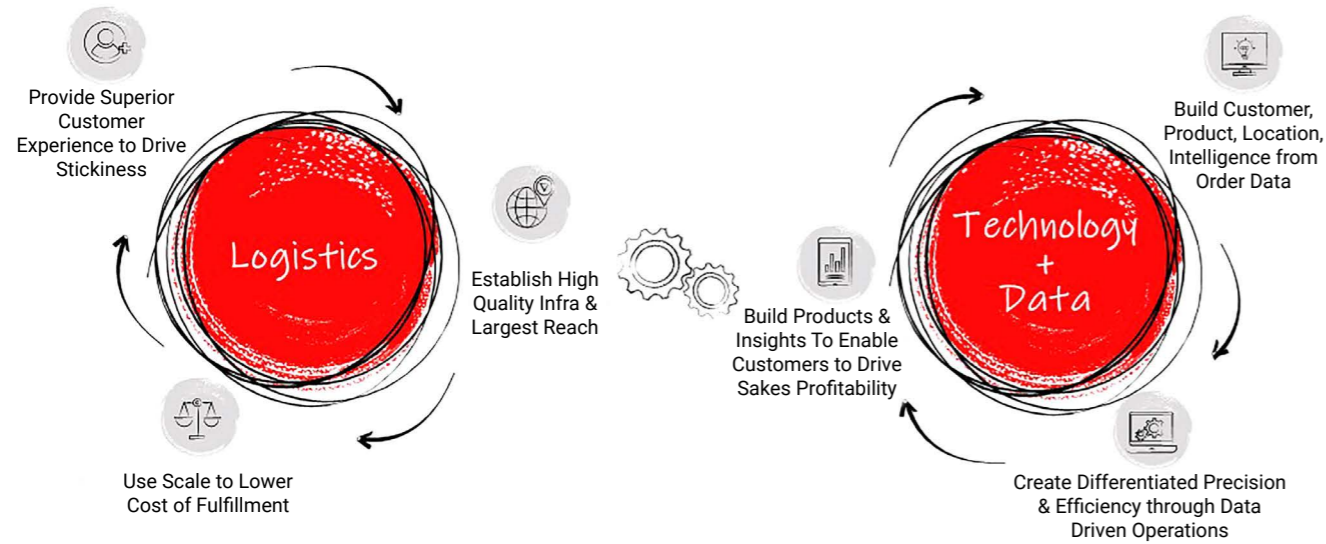


..... Adjusted EBITDA margin (%)

Business Strategy

Our strategy is driven by twin growth flywheels. Our world-class logistics infrastructure and industrial engineering, and a large network of domestic and global partners that allow us to create large network effects and scale benefits. This network is orchestrated by our proprietary logistics operating system, whose capabilities are enhanced by deep data-science and business intelligence capabilities. Together, these intersecting flywheels enable us to deliver efficiency, reliability and flexibility to all customers.

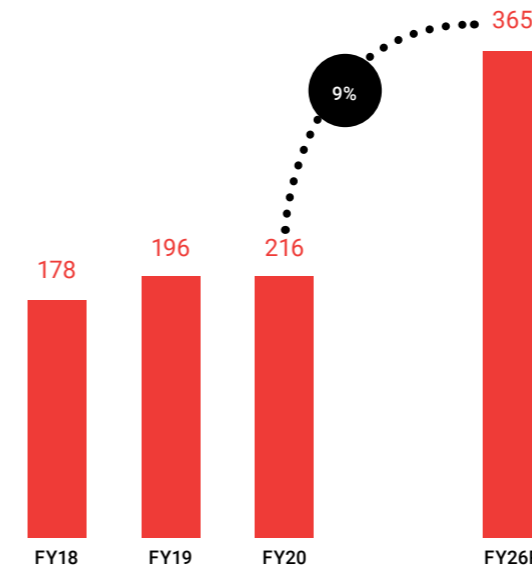
Our growth flywheel



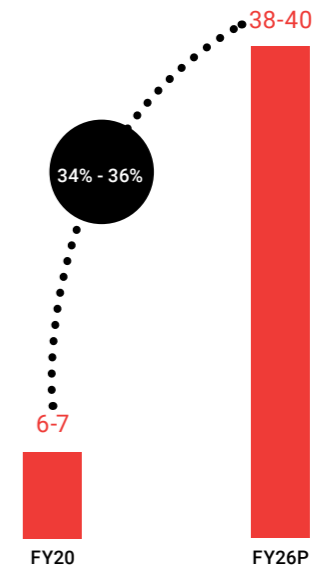
Market opportunity

Large, mature economies have historically led to the creation of large-scale, integrated logistics companies. India is an anomalous market in this regard, with the industry being highly fragmented and unorganised. Direct logistics spend in India is one of the largest across global economies, expected to grow to US\$365 billion by FY26. This represents a huge addressable market for organized logistics companies in the country, who today account for <5% of the total market.

India's direct logistics market size¹ (\$Bn)



Market size of organised logistics players (\$Bn)



Source(s): Chamber of Commerce – India, Report on Logistics, India Economics Survey 2017-18, 2019-20, RedSeer estimates
 Note: ⁽¹⁾ Includes both transportation (road, domestic air express, rail, cross-border) and warehousing & supply chain



Business Strategy

Infrastructure and automation

We commissioned our advanced, integrated parcel and freight gateways in Tauru (Haryana), Bhiwandi (Maharashtra) and Bengaluru (Karnataka) in FY22. Our fully automated Tauru facility commenced operations in Q4FY22 and facilities at Bhiwandi and Bengaluru are expected to go live in 2023.

As of FY22, we have also established automated sortation capacity of almost 4 million parcels/day and expanded our self-owned fleet to 694 vehicles.

Going forward

We plan to upgrade capacity of automated sortation by ~1.4 million parcels/day in the forthcoming quarters. In addition, we continue to test new technology such as Automated Storage & Retrieval System (ASRS), Automated Guided Vehicle (AGV/AMR) systems to reduce manual intervention and effort in operations and custom-built exoskeletons to reduce fatigue for front-line operators involved in labour-intensive tasks like truck loading.



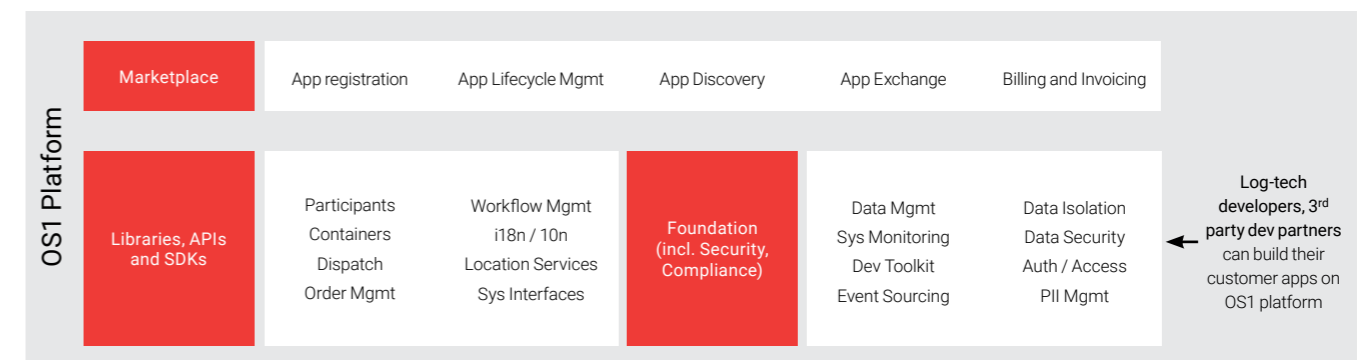
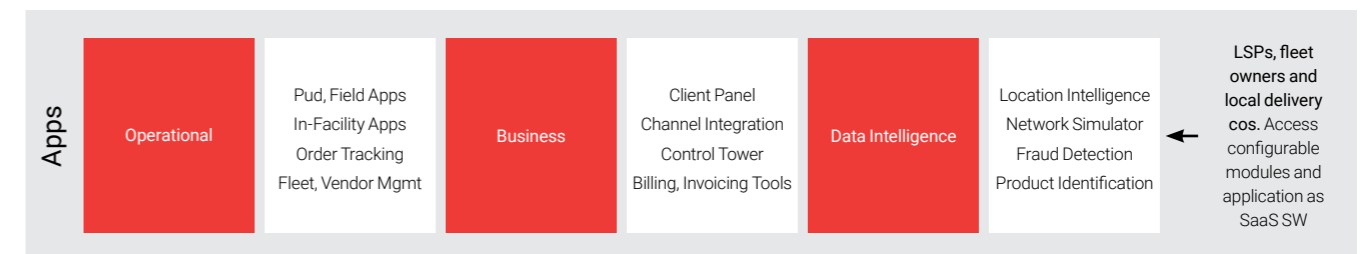
Technology, data sciences and business intelligence

We launched our Unified Client Portal (UCP) which enables our SME clients to self-onboard, access all of our services through a single application and customise pricing and operational parameters themselves in FY22. In addition clients can access our upgraded e-commerce tools to improve customer communication (e.g., for

delay intimation and NDR management) and reduce returns with our returns prediction engine. We have also completed integration of Primaseller with our Godam WMS, enabling D2C brands to seamlessly manage orders, inventory and fulfillment across channels.

Going forward

We continue to invest in building our technology, data-science and business intelligence capabilities across our offices in Gurugram, Noida, Bengaluru, Hyderabad, Goa and Seattle. Our teams in Seattle, Bengaluru and Hyderabad are in advanced development stages of OS1, our global logistics platform. OS1 aims to enable developers, logistics-tech, enterprises, and logistics companies to create and access purpose-built logistics and supply chain applications and solutions, thereby allowing them to participate in the logistics markets of the future without having to make significant technology investments.



Business Strategy

Spoton integration

We completed our acquisition of Spoton, one of India's leading and fastest-growing PTL networks in FY22. Together, Delhivery and Spoton form the fastest growing and one of the largest Express PTL networks in India. This acquisition will allow us to realise synergies in network infrastructure as well as expand our tractor-trailer fleet, thereby improving unit economics of our Express Parcel and PTL businesses.

The integration process, one of the largest in Indian logistics, was conducted in three phases. Phase I, involving integration of customers, contracts and organisation structure and policies, was completed in Q3FY22. In Phase 2 we completed back-end operational systems integration in Q4FY22. The final operational integration with Delhivery and Spoton fully sharing infrastructure, resources, and systems was completed in Q1FY23, with full synergy expected to be realised in the near future.

Integrated services

Revenues from our Supply Chain Services business grew by over 40% during FY22. In FY22, we added almost 1 million square feet of fulfilment centre infrastructure across locations such as Mumbai, NCR, Hyderabad and Bengaluru and multiple Tier 1 and Tier 2 cities as well.

Today we service over 70 leading enterprise customers across industry sectors such as consumer durables, retail, distribution, automotives and chemicals, powering their supply chain operations through integrated warehousing, transportation and technology solutions.

New products and services

We launched a number of new logistics services in FY22 to expand our customer base and expand our share of our existing clients' total logistics spend.

In addition to our base Express PTL service, we launched economy PTL services for less time-sensitive and air-freight services for highly time-sensitive freight movements. Both these services share infrastructure, systems and resources with our existing services.

In December 2021, we entered into a strategic alliance with FedEx to expand our coverage in North America, Europe and Australia, thereby extending our cross-border express services to our existing SME and enterprise clients.

In April 2022 we also launched Delhivery Direct (on our website and on the iOS and Android app stores), which enables individual consumers to book and track shipments in our network, customise delivery preferences and directly communicate with our service executives.



CASE STUDY

Integrated distribution for a consumer electronics brand

Problem statement

Our customer is one of the fastest growing consumer electronics brands in India with high product complexity ranging from TVs to mobile phones to lifestyle. The customer requires distributed fulfilment for faster deliveries and requires B2C and freight delivery across demand channels. In addition, the customer also requires cross-border freight movements for imports.

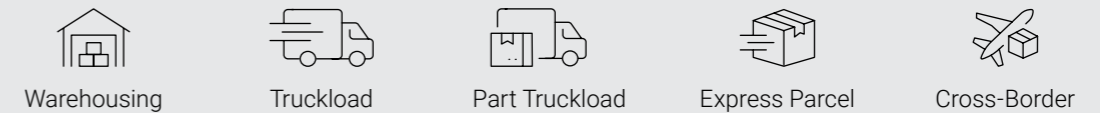
Solution

Our solution includes fulfilment centres in 4 cities with a total area of 300,000 square feet with additional on-demand capacity for seasonal volumes. The goods flow into our fulfilment centres from the factory and from ports through our TL and PTL services, while outbound shipments to e-commerce marketplaces, dealers, distributors, brand stores and direct customers are executed via our PTL and Express Parcel services.

Impact

We have created value for the customer by enabling consolidation of inventory across B2B and B2C channels, reducing overall inventory holding costs. We have also improved order to delivery turnaround times with Next Day Delivery services for their e-commerce consumers. Also, our warehouses successfully processed and shipped >5X volumes compared to normal daily dispatch during the peak season.

Services used



Delhivery solution as primary service provider



Key aspects of solution



Our Team

Our aim is to create work opportunities that attract the highest quality of talent and provide them opportunities for leadership and professional growth in a safe, inclusive and harassment-free environment.

As of FY22, we have a total team size of 60,373 employees and 34,360 partner agents engaged with us in flexible, at-will work models. We created employment opportunities for over 78,000 front-line operations staff in jobs that require no prior work experience or educational qualifications, thereby bringing them into the organised sector. We have also introduced policies to make experienced and high-performing front-line staff permanent employees of the company and to extend greater benefits, financial security, training and growth opportunities to these team members.

Employee well-being

We run several initiatives to ensure the physical and emotional well-being of our team members. We continued to run operations effectively through FY22 in spite of significant health and safety challenges posed by COVID-19 through FY21 and particularly in Q1FY22.

- We implemented strict COVID-19 protocols in line with WHO standards for all operating facilities.
- We created continuous awareness of COVID-19 safety protocols including sanitisation, wearing of masks, social distancing and other safety measures.
- We launched a 24/7 COVID helpdesk for employees and their families with on-demand teleconsultation through the empanelment of 2 full-time doctors.
- We established an on-the-ground taskforce to coordinate emergency relief by way of organising hospital beds, medication, oxygen, food supplies and other essentials.
- We established 22 isolation centres in 12 cities for our employees and their families during the second wave of COVID-19.

- We organised over 100 vaccination drives for all team members and partner agents across the country through on-site camps as well as partnerships with hospitals and primary healthcare centres.
- We extended the option to work remotely to all non-operations team members to ensure their well-being and to support the needs of their family members throughout FY22.
- We rolled out an Employee Assistance and Wellness Programme with counselling sessions (in 14 languages), wellness coaching and assessments, sessions on stress management, meditation, nutrition and mental and physical health webinars.

In addition to statutory benefits, we extended additional benefits like term life coverage, insurance for accidental death or disability and other forms of financial support to all our blue-collar workers through our Employee Welfare Fund. Over the last year, we disbursed ₹61 million through the Employee Loan Assistance Policy and ₹18.1 million through the Employee Welfare Fund.

Employee engagement

We introduced several programmes to sustain and enhance team engagement through FY22.

- We conduct quarterly company-wide and frequent team-wise town-hall meetings to share critical information and take up employee queries openly and publicly.
- We re-launched our company-wide intranet to drive engagement and have seen significant increase in active usage in just a month surging from 35% in February 2022 to 74% in March 2022.
- We revamped our new employee onboarding programme to ensure smooth virtual onboarding for remote employees. All new joiners, interact directly with company leadership to get an overview of the company's mission and culture.
- We received a 74% positive engagement score from across the company with high positive scores of >80% on key dimensions of employee engagement like pride in the organisation, learning and

development, diversity, inclusion and ethics as part of our FY22 Annual Employee Engagement Survey.

- PoSH (Prevention of Sexual Harassment at the Workplace) and Code of Conduct policies are a mandatory part of our new employee onboarding process and through frequent sensitisation and mandatory training of existing team members.
- Delhivery Academy conducts regular and on-demand training programmes for front-line operations and management team members. In FY22 a total of 38,000+ employees underwent training through the Academy's programmes.
- Through our policy for continuous learning, we encourage team members to continue to invest in their development through sabbaticals as well as financial assistance.

Performance and talent management

Our performance and rewards philosophy is directly linked to organisational and individual performance and aimed at increasing breadth and depth of employee ownership of the company. We have multiple Employee Stock Option Plans that foster ownership and create opportunities for wealth creation for talent across levels in the organisation. The number of employees owning ESOPs increased significantly from 458 at the end of FY21 to 1,424 at the end of FY22.



ESG Initiatives

We have begun the process of ensuring full compliance with SEBI BRSR guidelines by FY23 and have put in place baseline measurement and data tracking measures. We continue to focus on introducing measures to reduce our carbon footprint through adoption of renewable energy systems and improving efficiency of our operational processes and fleet resources.

Our business is deeply rooted in the communities around us and we continue to invest in community engagement, upskilling and targeted recruitment of women and health and safety of our employees and their families. We also continue to earmark resources for rapid mobilisation during natural disasters and actively support organisations providing humanitarian support to under-privileged communities across the country.



Environmental impact

We undertook an exercise in Q1FY23 to baseline Scope 1 and Scope 2 carbon emissions for FY21 and FY22. Scope 1 emissions refer to direct greenhouse gas (GHG) emissions that occur from sources that are controlled or owned by us. Scope 2 emissions refer to GHG emissions from the generation of purchased electricity consumed by us. The carbon emission baseline (Scope 1 and Scope 2) stood at 38,845 tCO₂e (tonnes CO₂ equivalent of emissions) for FY21 and 53,552 tCO₂e for FY22. Key initiatives underway include:

Adoption of solar power

Our four largest gateway facilities located at Tauru (Haryana), Bhiwandi (Maharashtra), Dankuni (West Bengal) and Bengaluru (Karnataka) utilise 4 MW of power, of which 45% (1.5 MW) is solar powered. We plan to add 2 MW solar power installations at new facilities at Bhiwandi, Ahmedabad, Surat, Noida and Gurugram to help address their power requirements. We expect to meet 64% of the power requirements for these facilities from solar power.

Reducing our carbon footprint

We have introduced 175 tractor-trailers into our fleet operations in FY22 and aim to introduce more vehicles through our own and partner fleets in FY23. These trucks are significantly more fuel-efficient compared to traditional truck form factors that are the norm in the industry. Fuel saved per tonne as compared to other truck types is as follows.

| Comparison Truck Type | Efficiency improvement % of 43-46 ft truck (litres per tonne saved)* |
|-----------------------|--|
| 32 MXL | 17% |
| 32 SXL | 44% |
| 24 SXL | 39% |

* Internal metrics as observed by implementation in Delhivery network

We also continue to introduce CNG and electric vehicles across our network. We currently operate over 1,200 of these vehicles and continue to engage with EV OEMs to increase penetration in our carting and last mile operations.

People and Community Initiatives

Our aim is to create a safe, inclusive work environment that provides each team member with the tools, training and adequate leadership and growth opportunities commensurate with their skills and talents.

Some of the key initiatives we have undertaken in this regard in FY22 include:

- **Health and safety awareness:** We have a comprehensive Health and Safety training programme in place for all team members PAN India including training on safe driving, safe loading and unloading, safe operation of automation equipment and COVID-19 specific health and safety training
- **Skilling:** Over 38,000 team members underwent mandatory and elective training through the Delhivery Academy in FY22. 1,399 team members were promoted from off-roll to permanent positions

in FY22 post completion of our skilling programmes.

- **Policy awareness:** All team members must mandatorily go through training on our policies regarding Code of Conduct, PoSH (Prevention of Sexual Harassment), ISO 27001, Phishing Attack, Data Privacy and Anti-Corruption.
- **Diversity and inclusion:** We have more than quadrupled the total number of women in full-time roles in the company from 741 in FY20 to 3,200 in FY22 through identification of appropriate roles and targeted recruitment and policy initiatives.
- **Disaster relief and humanitarian aid:** A key area of focus for our CSR activities is to effectively mobilise and deliver relief services during natural calamities, in partnership with local and state authorities. In FY22, Delhivery assisted Goonj, a non-governmental organisation that undertakes disaster relief, humanitarian aid and community development in India by transporting >500 tonnes of material across the country in areas affected by cyclones and floods.

In addition to these initiatives, we have also contributed a sum of ₹5 million in FY22 to Olympic Gold Quest. OGQ is a programme of the Foundation for Promotion of Sports and Games, that is committed to bridging the gap between the best athletes in India and the best athletes in the world by extending them support through training, sports science, coaching, equipment, sports kits etc. Presently, OGQ supports nearly 250 athletes across 9 Olympic and 7 Paralympic sports. We have committed a sum of ₹25 million (₹5 million in FY22 & ₹10 million each in FY23 & FY24) to OGQ towards the Paris 2024 Olympics.



Self defence training to women employees

People and Community Initiatives

COVID-19 response

We provided procurement and logistics support to bring emergency and essential medical supplies into India during the second wave of COVID-19 in 2021. Our team organised 45 charter flights from China, Israel and other countries. Throughout this period, we carried oxygen concentrators and other critical supplies in collaboration with our airline partners and delivered these to numerous government authorities, medical institutions, relief organisations and individuals. We partnered with ACT grants and Hunger Heroes to import over 43,000 oxygen concentrators, oxygen plants, oxygen cylinders and equipment.



Medical equipments shipped through charter flights during COVID-19



Regular health check-ups for our employees



Regular health check-ups for our employees



Oxygen concentrators provided to NGOs



Flood relief material provided in the affected areas

Directors' Report

Dear Members,

The Board of Directors ("the Board") have pleasure in presenting the 11th Annual Report of Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred as "Company" / "Delhivery") along with the Audited Financial Statements for the financial year ("FY") ended March 31, 2022 (hereinafter referred as "FY22" or "during the year"). This being the first Report after the Initial Public Offer (IPO) and listing on the Stock Exchanges, the Board welcomes all the public shareholders and look forward to your continuing faith and support.

Financial Performance

Key highlights of the financial results of the Company for the FY22 are as under:

| Particulars | Standalone - FY ended | | Consolidated- FY ended | |
|--|-----------------------|-------------------|------------------------|-------------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations | 59,109.96 | 34,997.81 | 68,822.86 | 36,465.27 |
| Other Income | 1,698.59 | 1,993.94 | 1,561.41 | 1,917.64 |
| Total Income | 60,808.55 | 36,991.75 | 70,384.27 | 38,382.91 |
| Less: Total Expenses | 69,421.85 | 39,899.45 | 80,645.30 | 42,127.04 |
| Loss before exceptional items, share of net loss of associate and tax | (8,613.30) | (2,907.70) | (10,261.03) | (3,744.13) |
| Less: Exceptional Items | 21.87 | 655.25 | - | 413.30 |
| Loss before tax and share of loss of associate | (8,635.17) | (3,562.95) | (10,261.03) | (4,157.43) |
| Less: Tax Expense | - | - | (183.30) | - |
| Loss after tax before share of loss of associate | (8,635.17) | (3,562.95) | (10,077.73) | (4,157.43) |
| Add: Share of loss of associate | - | - | (32.27) | - |
| Loss for the year | (8,635.17) | (3,562.95) | (10,110.00) | (4,157.43) |
| Other Comprehensive Income | 9.64 | 10.04 | 14.37 | 2.06 |
| Total Comprehensive Loss for the year | (8,625.53) | (3,552.91) | (10,095.63) | (4,155.37) |

The Standalone and Consolidated Financial Statements of your Company for FY22 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI Listing Regulations'].

- The revenue from operations on standalone basis for FY22 stood at ₹59,109.96 million as against ₹34,997.81 million for FY21, registering a growth of 68.90%. Whereas the loss for FY22 stood at ₹8,635.17 million as against ₹3,562.95 million for FY21. The loss for the year has increased by 142.36%.
- The revenue from operations on consolidated basis for FY22 stood at ₹68,822.86 million as against ₹36,465.27 million for FY21, registering a growth of 88.73%. Whereas the loss for FY22 stood at ₹10,110.00 million as against ₹4,157.43 million for FY21. The loss for the year has increased by 143.18%.

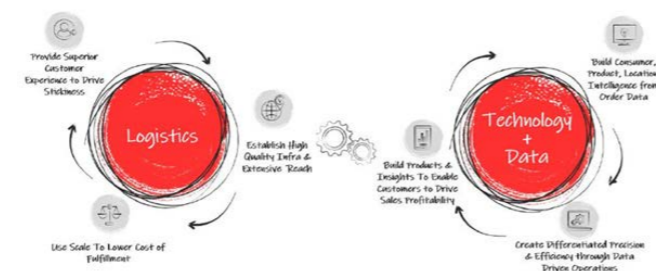
The increase in above losses is on account of increase in:

- certain non-cash, non-recurring costs such as fair value loss on financial liabilities through profit or loss,
- non-cash share based payment expense and
- one-time payment to employees.

State of Affairs of the Company/ Business Operations

The mission of your Company is to enable customers to operate flexible, reliable and resilient supply chains at the lowest costs. Your Company provided supply chain solutions to a diverse base of 23,613 active customers such as e-commerce marketplaces, direct-to-consumer e-tailers and enterprises and SMEs across several verticals such as FMCG, consumer durables, consumer electronics, lifestyle, retail, automotive and manufacturing.

This is achieved through high-quality logistics infrastructure and network engineering, a vast network of domestic and global partners and significant investments in automation, all of which are orchestrated by self-developed logistics operating system by your Company that is guided in real-time by deep sources of proprietary network and environmental data. Together, these create intersecting flywheels that drive network synergies within and across services of your Company and enhance value proposition to customers.



The key differentiators of business of your Company are:

- **Integrated solutions:** Your Company provides a full range of logistics services, including express parcel delivery, heavy goods delivery, Part Truck Load ("PTL") freight, Truck Load ("TL") freight, warehousing, supply chain solutions, cross-border express and freight services and supply chain software, along with value added services such as e-commerce return services, payment collection and processing, installation and assembly services and fraud detection.
- **Proprietary logistics operating system:** In-house logistics technology stack is built by your Company to meet the dynamic needs of modern supply chains. Your Company has over 80 applications through which your Company provides various services, orchestrated by the platform to govern transaction flows from end to end. The platform of your Company is designed as a set of foundational layers, libraries and APIs that form the building blocks for logistics applications and provides a configurable framework and tools to enable both internal and external developers to build custom applications.
- **Data Intelligence:** Your Company collects, structures, stores and processes vast amounts of transaction and environmental data to guide real-time operational decision making. Since inception, your Company has collected participant, product, location and network data for over 1.4 billion orders along with over 30 billion shipment lifecycle event points. Your Company has used machine learning extensively to build various capabilities, including intelligent geo-location, network design, route optimisation, load aggregation, ETA prediction, product identification and fraud detection, which enable us to execute operations in an efficient and precise manner.
- **Automation:** Your Company operated 21 fully and semi-automated sortation centres and 123 gateways across India (including those operated by Spoton Logistics Private Limited, a wholly owned subsidiary) as of March 31, 2022. Your Company had a Rated Automated Sort Capacity of 3.98 million shipments per day as of March 31, 2022. Your Company has automated material handling systems at its gateways in Tauru (Haryana), Bhiwandi (Maharashtra) and Bengaluru (Karnataka). Your Company has further announced capacity expansion plans in Bhiwandi and Bengaluru by 700,000 sqft and 1,000,000 sqft respectively, of Gateway Infrastructure which will enable your Company to service the increasing demand for its services. This automation, combined with system-directed floor operations, path expectation algorithms and machine-vision guided truck loading systems, together enable the facility staff to be more productive and reduce errors in their operations.
- **Unified Infrastructure and Network:** Your Company operates a pan-India network and provides services in 18,074 postal index number ("PIN") codes, as of March 31, 2022. Logistics platform, data intelligence and automation of your Company enable the network to be seamlessly interoperable and allows to share infrastructure and operational capacity across business lines and set new service standards, such as providing e-commerce-like turnaround times to traditional part-truckload shippers on several lanes.

- **Asset-light operations:** Your Company follows an asset-light model. The approach is to invest in critical service elements and IP-sensitive areas of the network, while delivering services through a large number of network partners. Network partners with warehousing, freight (truckload or air) or first/last-mile capacity can sign up and find customers via the partner applications. The systems of your Company function as managed marketplaces that match partner capacity with its internal and third-party client demand based on partners' service quality ratings and pricing. This approach has enabled your Company to quickly expand to geographically dispersed locations, optimize loads, improve the cost structure and maintain flexibility in handling seasonal variations and changes in client requirements while incurring minimal fixed costs and capital expenditures.
- **Entrepreneurial team:** The experienced team of your Company has driven service excellence and industry-first innovations that have enabled your Company to gain market leadership in a short span of time. The team comes from diverse backgrounds in engineering, technology, operations, R&D and design from across industries such as technology, e-commerce, manufacturing, telecommunications, management consulting, financial services and the armed forces, among others.

Acquisitions

In line with the strategy to build scale and new capabilities both organically and inorganically, your Company completed several important acquisitions in FY22, as detailed below:

a) Spoton Logistics Private Limited ("Spoton")

Your Company acquired Spoton, an express PTL freight service provider in India during August 2021 by acquiring 100% of its share capital for ₹15,216.02 million. Post-integration with Spoton, your Company became the third largest PTL freight player in India in terms of revenue as of FY21, with a market share of approximately 8.30% of the organized PTL market in India. Post integration of systems and organisations of the 2 (two) companies, in April 2022, your Company commenced infrastructure, network and operations integration into a single network. Your Company shared an update on the integration impact through the Stock Exchanges on July 26, 2022 and the earnings release of Q1FY23. These are available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

b) FedEx Express Transportation and Supply Chain Services (India) Private Limited ("FedEx")

Your Company acquired certain assets, facilities and customer contracts from FedEx which is engaged in the business of providing warehousing, transportation and logistics services in India with effect from December 04, 2021 vide the approval of Competition Commission of India ("CCI") dated November 23, 2021. The total consideration for the acquisition was ₹1,864.27 million. Further, FedEx has invested an amount of ₹7,457.00 million in equity shares of the Company on December 08, 2021. The FedEx agreement also gives Delhivery

Directors' Report (Contd.)

and FedEx reciprocal access to each other's network and hence customers of your Company will be able to enjoy access to FedEx network of 220+ countries for their cross border needs while FedEx customers will be able to enjoy pan India first mile and last mile reach of Delhivery.

c) Falcon Autotech Pvt. Ltd. ("Falcon")

Your Company entered into a business cooperation agreement with Falcon on December 31, 2021. Falcon is in the business of providing intralogistics automation solutions, sortation systems, conveyor systems, delivery-warehousing systems, and pick/put to light systems. Your Company acquired 34.55% of the share capital (on a fully-diluted basis) of Falcon, pursuant to a share subscription agreement and a share purchase agreement, both dated December 31, 2021, for a consideration of ₹2,518.94 million. Delhivery and Falcon will jointly develop automation products which will be exclusively used by Delhivery in India for a period of 5 years.

Impact of Covid-19

The COVID-19 pandemic has disrupted the way employees of your Company lead their lives. Your Company has modified its business practices to minimise the risk of COVID-19 to its employees, customers and the communities in which it participates.

The first response of your Company to the pandemic was to put in place WHO safety guidelines regarding sanitization and social distancing. Your Company shut down its physical offices in anticipation of nationwide lockdowns and began preparations to maintain operational continuity.

Your Company undertook free vaccination drives for its employees. In addition, your Company has taken measures to support its teams by reimbursing medical expenses, providing statutory or sustenance pay irrespective of volumes and operating free quarantine centres and healthcare services for anybody recommended by the employees and network partners. Apart from this, your Company continues to permit corporate staff to work remotely, have suspended all non-essential business travel and continue to hold meetings and events virtually.

During the period of April to June 2021, your Company partnered with Hunger Heroes and ACT grants to import over 43,000 oxygen concentrators, oxygen plants, oxygen cylinders, equipment required to set up new oxygen plants and various medical supplies from around the world and distribute them across India.

Transfer to Reserves and Dividend

As your Company does not have Profits for the FY22 hence no amount is available for transfer to reserves. Accordingly, the Board does not recommend any dividend for the FY22.

In terms of Regulation 43A of the SEBI Listing Regulations, the dividend distribution policy is available on the company's website at <https://www.delhivery.com/investor-relations/>.

Material Events

Conversion of Company from Private Limited to Public Limited

During the year, your Company was converted from Private Limited to Public Limited on October 12, 2021.

Initial Public Offer ("IPO") of Equity Shares

Your Company initiated the process for Initial Public Offer ("IPO") of its Equity Shares during the year. The IPO was completed, and the Company got listed at the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (collectively referred to as "Stock Exchanges") on May 24, 2022. Despite extremely challenging times stemming from geo-political tensions, supply chain constraints, rising interest rates and volatile market conditions, your Company completed its IPO successfully with participation of several leading domestic and global investors. The Board is gratified and humbled by the faith shown in the Company by its Members.

The total size of the IPO was ₹52,350.00 million comprising of 10,74,97,225 equity shares including fresh issue of 8,21,37,328 equity shares aggregating to ₹40,000.00 million and offer for sale of 2,53,59,897 equity shares aggregating to ₹12,350.00 million by selling shareholders.

The IPO opened on May 11, 2022 and closed on May 13, 2022 and the Equity shares were allotted / allocated at a price of ₹487/- per Equity Share (including a share premium of ₹486/- per Equity Share) on May 20, 2022. A discount of ₹25/- was offered to eligible employees.

Your Company has appointed Axis Bank Ltd. as the Monitoring Agency in terms of regulation 41(2) of the SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended, to monitor the utilisation of IPO proceeds and has obtained a monitoring report, for the quarter ended June 30, 2022, and submitted the same with Stock Exchanges. The proceeds realised by the Company from the IPO will be utilised as per objects of the offer disclosed in the Prospectus of the Company.

Out of the Net proceeds of fresh issue of ₹38,703.00 million (net of provisional IPO expense in relation to fresh issue amounting to ₹1,297.00 million) your Company has utilised the funds as on June 30, 2022, as detailed herein below:

| Amount (₹ in Million) | | |
|--|--|---|
| Sl. No. | Objects of fund raising | Funds utilised by the quarter ended June 30, 2022 |
| 1. Organic Growth Initiatives | | |
| A. | Building scale in existing business lines and developing new adjacent business lines | 293.72 |
| B. | Expanding network infrastructure of your Company | 152.00 |
| C. | Upgrading and improving proprietary logistics operating system of your Company | 221.90 |
| 2. Funding inorganic growth through acquisition and other strategic Initiatives | | |
| | | - |
| 3. General Corporate purposes | | |
| | | 575.38 |
| Total | | 1,243.00 |

There has been no deviation in the utilization of the IPO proceeds of the Company. The Monitoring Agency Report is available at the Company's website at <https://www.delhivery.com/investor-relations/>.

The Annual Listing Fee for FY23 has been duly paid to Stock Exchanges.

Change in the nature of Business

There has been no change in the nature of business of your Company during the year.

Material Changes and Commitment affecting Financial Position of the Company

There were no material changes during the year affecting the Financial Position of your Company other than issuance of fresh shares as detailed in this report.

Changes in the Share Capital

Changes in Authorized Share Capital

During the year, the Members of the Company, in their General Meeting(s) approved the changes in Authorised Share Capital of the Company as detailed hereinbelow:

| Date of General Meeting(s) | Nature of changes |
|----------------------------|--|
| August 5, 2021 | Increase in the authorised share capital from ₹456,035,980 divided into: 2,200,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,310,337 preference shares of ₹100 each to ₹492,535,980 divided into: 2,350,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,660,337 preference shares of ₹100 each |
| September 27, 2021 | Increase in authorised share capital from ₹492,535,980 divided into: 2,350,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,660,337 preference shares of ₹100 each to ₹1,192,535,980 divided into: 72,350,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,660,337 preference shares of ₹100 each |
| September 29, 2021 | Sub-division of authorized share capital from ₹1,192,535,980 divided into: 72,350,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,660,337 preference shares of ₹100 each to ₹1,192,535,980 divided into: 723,502,280 equity shares of ₹1 each, 300,000 preference shares of ₹10 each and 4,660,337 preference shares of ₹100 each |
| October 15, 2021 | Increase in authorized share capital from ₹1,192,535,980 divided into: 723,502,280 Equity Shares of ₹1 each, 300,000 Preference Shares of ₹10 each and 4,660,337 Preference Shares of ₹100 each to ₹1,342,535,980 divided into: 873,502,280 Equity Shares of ₹1 each, 300,000 Preference Shares of ₹10 each and 4,660,337 Preference Shares of ₹100 each |

Directors' Report (Contd.)

Changes in the Paid-up Share Capital

1. Equity Share Capital

During the year, your Company has made the allotments of equity shares as detailed below:

| Date(s) of allotment | Nature of allotment | No. of equity shares allotted | Face Value (FV) per equity share (₹) | Issue price per equity share (₹) | Nature of consideration |
|--|---|-------------------------------|--------------------------------------|----------------------------------|-------------------------|
| June 18, 2021, August 03, 2021 & September 24, 2021 | Exercise of stock options | 10,000 | 10 | 225.94 | Cash |
| | Exercise of stock options | 18,100 | 10 | 1,163 | Cash |
| | Exercise of stock options | 1,261 | 10 | 1,509 | Cash |
| | Exercise of stock options | 44,483 | 10 | 1,628 | Cash |
| | Exercise of stock options | 10,815 | 10 | 2,985 | Cash |
| | Exercise of stock options | 3,175 | 10 | 453 | Cash |
| September 24, 2021 | Conversion of 46,441 Series G Preference Shares of FV of ₹10 each. | 116,103 | 10 | N.A. | N.A. |
| September 29, 2021 | Bonus issue in the ratio of nine equity shares of FV ₹10 each against every 1 equity share of FV of ₹10 each. | 16,846,803 | 10 | N.A. | N.A. |
| Pursuant to Members' resolution dated September 29, 2021 each equity share of your Company of FV of ₹10 each was split into 10 Equity Shares of FV of ₹1 each. An aggregate of 18,718,670 equity shares of FV of ₹10 each were split into 187,186,700 Equity Shares of FV of ₹1 each. | | | | | |
| October 22, 2021, November 18, 2021, November 30, 2021, December 24, 2021 & January 10, 2022 | Exercise of stock options | 675,900 | 1 | 2.26 | Cash |
| | Exercise of stock options | 161,100 | 1 | 3.90 | Cash |
| | Exercise of stock options | 466,900 | 1 | 15.09 | Cash |
| | Exercise of stock options | 1,694,100 | 1 | 29.85 | Cash |
| | Exercise of stock options | 3,714,500 | 1 | 16.28 | Cash |
| | Exercise of stock options | 235,200 | 1 | 4.53 | Cash |
| December 08, 2021 | Exercise of stock options | 2,052,700 | 1 | 11.63 | Cash |
| | Preferential allotment to FedEx Express Transportation and Supply Chain Services (India) Pvt. Ltd. | 20,914,500 | 1 | 356.55 | Cash |
| January 13, 2022 | Conversion of 217,562 Series B Preference Shares of FV of ₹100 each. | 21,756,200 | 1 | N.A. | N.A. |
| | Conversion of 365,310 Series C Preference Shares of FV of ₹100 each. | 36,531,000 | 1 | N.A. | N.A. |
| | Conversion of 653,551 Series D Preference Shares of FV of ₹100 each. | 65,355,100 | 1 | N.A. | N.A. |
| | Conversion of 44,479 Series D1 Preference Shares of FV of ₹100 each. | 4,447,900 | 1 | N.A. | N.A. |
| | Conversion of 801,139 Series E Preference Shares of FV of ₹100 each. | 80,113,900 | 1 | N.A. | N.A. |
| | Conversion of 1,457,694 Series F Preference Shares of FV of ₹100 each. | 145,769,400 | 1 | N.A. | N.A. |
| | Conversion of 563,349 Series H Preference Shares of FV of ₹100 each. | 56,334,900 | 1 | N.A. | N.A. |
| | Conversion of 146,961 Series I Preference Shares of FV of ₹100 each. | 14,696,100 | 1 | N.A. | N.A. |

Note - After the closure of the reporting period, your Company has allotted 259,727 Equity Shares of ₹1/- each on April 19, 2022 and 210,250 Equity Shares of ₹1/- each on August 08, 2022 on exercise of options under Delhivery Employee Stock Option Plan 2012.

2. Cumulative Compulsory Convertible Preference Shares (CCPS)

During the year, your Company has made the allotments of following CCPS:

| Dates of allotment | Reason / Nature of allotment* | No. of CCPS allotted | Face Value (FV) per CCPS (₹) | Issue price per CCPS (₹) | Nature of consideration |
|--|---|----------------------|------------------------------|--------------------------|-------------------------|
| Series H Preference CCPS of FV ₹100 each | | | | | |
| May 31, 2021 | Preferential allotment of Series. H CCPS ¹ | 563,349 ³ | 100 | 35,655 | Cash |
| Series I Preference CCPS of FV of ₹100 each | | | | | |
| September 2, 2021 | Preferential allotment of Series. I CCPS ² | 146,961 ³ | 100 | 38,000 | Cash |

- Allotment of 563,349 Series H Participating CCPS of the Company having a FV of ₹100/- each at a premium of ₹35,555/- per share ("Series H CCPS") to Fidelity Investors, Pacific Horizon Investment Plc., Gamnat Pte. Ltd. and Chimera Investment LLC.
- Allotment of 146,961 Series I Participating CCPS of the Company having a FV of ₹100/- each at a premium of ₹37,900/- per share ("Series I CCPS") to Suedasien Investmentfonds A, Ltd and Suedasien Investmentfonds B, Ltd.
- Each outstanding CCPS of FV of ₹100/- each was converted into one Equity Share of FV of ₹1/- each on January 13, 2022.

3. Conversion of Partly paid shares to fully paid equity shares

Your Board called the final call money for making 38,701 partly paid-up equity shares of ₹10/- each and 46,441 partly paid-up Series G CCPS of ₹100/- each, as fully paid up, in the Board Meeting held on August 31, 2021. Subsequently, the 46,441 Series G CCPS having a FV of ₹100/- each were converted into 116,103 Equity shares having a FV of ₹10/- each at a conversion ratio of 1:2.5 on September 24, 2021.

Alteration of Memorandum of Association (MOA) & Articles of Association (AOA)

I. MOA

- The Members at their Extraordinary General Meeting(s) dated August 05, 2021, September 27, 2021 and October 15, 2021, respectively had approved the alteration in MOA of the Company to increase the Authorized share capital of the Company & amendment to incidental or ancillary object clause.
- In order to convert the Company from Private Limited to Public Limited entity, the Members at their Annual General Meeting ("AGM") dated September 29, 2021 had approved the alteration in MOA of the Company.
- In order to subdivide / reclassify the authorized share capital of the Company, the Members at their AGM dated September 29, 2021 had approved the alteration in MOA of the Company.

II. AOA

- In order to incorporate the provisions of the Shareholders' Agreement dated May 20, 2021 ("SHA") entered into amongst the Founders, the Retiring Founders, the Other Shareholders (as defined in the Articles of the Company), the Company, SVF Doorbell (Cayman) Ltd., Internet Fund III Pte. Ltd., Nexus Ventures III

Limited, Nexus Opportunity Fund Limited, Times Internet Limited, CA Swift Investments, Deli CMF Pte. Ltd., Canada Pension Plan Investment Board and Fidelity Investor (as defined in the SHA), the Members at their Extraordinary General Meeting dated June 02, 2021 had approved the adoption of amended and restated AOA.

- In order to incorporate the provisions of the Shareholders' Agreement dated August 09, 2021 ("SHA") entered into amongst the Founders, the Retiring Founders, the Other Shareholders (as defined in the Articles of the Company), the Company, SVF Doorbell (Cayman) Ltd., Internet Fund III Pte. Ltd., Nexus Ventures III Limited, Nexus Opportunity Fund Limited, Times Internet Limited, CA Swift Investments, Deli CMF Pte. Ltd., Canada Pension Plan Investment Board and FedEx Express Transportation and Supply Chain Services (India) Private Limited, the Members at their Extraordinary General Meeting dated September 04, 2021 had approved the adoption of amended and restated AOA.
- In order to authorize the Board to issue bonus shares to the Members of the Company, the Members at their Extraordinary General Meeting dated September 27, 2021 had approved the alteration in AOA of the Company.
- In order to convert the Company from Private Limited to Public Limited entity, the Members at their AGM dated September 29, 2021 had approved the alteration in AOA of the Company.
- In order to undertake the Initial Public Offer, your Company was required to adopt a new set of Articles of Association. The Members at their Extraordinary General Meeting dated October 26, 2021 approved the adoption

Directors' Report (Contd.)

of a new set of Articles of Association (consisting of Part A and Part B). Part B of the AOA was further altered by the Members in their Extraordinary General Meeting held on December 14, 2021. With effect from the date of listing of Equity Shares of your company at Stock Exchanges i.e. May 24, 2022, Part A of the AOA continues to be effective and Part B has become ineffective.

Employees' Stock Option Plan ("ESOP")

Your Company has four ESOPs, namely, Delhivery Employees Stock Option Plan, 2012 ("ESOP I – 2012"), Delhivery Employees Stock Option Plan - II, 2020 ("ESOP II – 2020"), Delhivery Employees Stock Option Plan - III, 2020 ("ESOP III – 2020") and Delhivery Employees Stock Option Plan - IV, 2021 ("ESOP IV – 2021", and collectively, the "ESOPs"). These Plans are in compliance with the Securities and

Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "SEBI SBEB & SE Regulations") and have also been ratified by the Members of the Company on July 10, 2022 through postal ballot.

ESOP I – 2012

ESOP I – 2012 was approved pursuant to a Board resolution dated September 06, 2012 and Members' resolution dated September 28, 2012, duly amended on June 28, 2014, February 13, 2017, March 8, 2019 and September 29, 2021. As on date, an aggregate of 42,695,822 time based options have been granted, an aggregate of 24,963,275 time based options have vested and an aggregate of 22,530,177 time based options have been exercised as on the date of this report. Further, 3,489,405 time based options are pending for grant under ESOP I – 2012. Each option is convertible into one Equity Share of ₹1/- each.

The disclosures as per Rule 12 (9) of the Companies (Share Capital and Debenture) Rules, 2014 are as follows:

ESOP I – 2012

| Particulars | (as on March 31, 2022) |
|--|---|
| Total options outstanding (including vested but not exercised and unvested options) as at the beginning of the year | 23,242,000 |
| Total options granted during the year | 7,466,609 |
| Total options vested during the year | 4,634,090 |
| Total options exercised during the year | 17,783,800 |
| Total number of Equity Shares arising as a result of exercise of granted options ^ | 11,785,442 |
| Options lapsed | 1,139,367 |
| Exercise price of options in ₹ (as on the date of grant of options) ^ | 0.10 to 29.85 |
| Variation of terms of options | There has been variation in terms of vesting schedules of few employees as per their letter of grant which was not prejudicial to their interest. |
| Money realized by exercise of options (in ₹ Mn) | 276.53 |
| Total number of options outstanding in force (excluding options not granted) | 11,785,442 |
| Employee wise details of options granted to: | |
| (i) Key managerial personnel | |
| - Kapil Bharati | 824,800 |
| - Pooja Gupta | 200,000 |
| - Sunil Kumar Bansal | 25,000 |
| - Abhik Mitra (Employee of Spoton Logistics Private Limited being a Material Subsidiary Company) | 669,700 |
| (ii) Any other employee who receives a grant of options in any one year of option amounting to 5% or more of the options granted during that year | |
| - Suraju Datta – during the FY 2018-19 | 1,000,000 |
| - Kshitij Chopra - during the FY 2020-21 | 200,000 |
| (iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of your Company at the time of grant | Nil |

^ Pursuant to the issuance and allotment of bonus shares (in the proportion of 9:1 i.e. nine equity shares of ₹10 each for every one equity share of ₹10 each) vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and Sub division of FV of equity shares (in the proportion of 1 equity share of ₹10/- each to 10 equity shares of ₹1/- each) pursuant to a resolution passed at the AGM dated September 29,

2021, appropriate adjustments were made to the outstanding options granted to the employees of the Company under and in terms of the Delhivery Employees Stock Option Plan 2012 such that the exercise price for all outstanding options as on relevant record date (vested and unvested options, including lapsed and forfeited options available for reissue) was proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on relevant record date were appropriately adjusted.

ESOP II – 2020

The ESOP II – 2020 was approved pursuant to a Board resolution dated January 25, 2021 and Members' resolution dated February 01, 2021. The ESOP II – 2020 is in compliance with the SEBI SBEB & SE Regulations. As on date, 7,740,200 price based options have been granted to eligible employees which shall vest as per terms of grant approved by the NRC. Further, no options are pending for grant. Each option is convertible into one Equity Share of ₹1/- each.

The disclosures as per Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 are as follows:

ESOP II – 2020

| Particulars | (as on March 31, 2022) |
|--|--|
| Total options outstanding (including vested but not exercised and unvested options) as at the beginning of the year | 7,740,200 |
| Total options granted during the year | - |
| Total options vested during the year | - |
| Total options exercised during the year | - |
| Total number of Equity Shares arising as a result of exercise of granted options ^ | 7,740,200 |
| Options lapsed | - |
| Exercise price of options in ₹ (as on the date of grant of options) ^ | 0.10 |
| Variation of terms of options | There has been variation in terms of vesting schedule of few employees as per their letter of grant which was not prejudicial to their interest. |
| Money realized by exercise of options (in ₹ Mn) | - |
| Total number of options outstanding in force (excluding options not granted) | 7,740,200 |
| Employee wise details of options granted to: | |
| (i) Key managerial personnel | Nil |
| (ii) Any other employee who receives a grant of options in any one year of option amounting to 5% or more of the options granted during that year | Nil |
| (iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of your Company at the time of grant | Nil |

^ Pursuant to the issuance and allotment of bonus shares (in the proportion of 9:1 i.e. nine equity shares of ₹10 each for every one equity share of ₹10 each) vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and Sub division of FV of equity shares (in the proportion of 1 equity share of ₹10/- each to 10 equity shares of ₹1/- each) pursuant to a resolution passed at the AGM dated September 29, 2021, appropriate adjustments were made to the outstanding options granted to the employees of the Company under and in terms of the Delhivery Employees Stock Option Plan II 2020 such that the exercise price for all outstanding options as on relevant record date (vested and unvested options, including lapsed and forfeited options available for reissue) was proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on relevant record date were appropriately adjusted.

ESOP III – 2020

The ESOP III – 2020 was approved pursuant to a Board resolution dated January 25, 2021 and Members' resolution dated February 1, 2021. The ESOP III – 2020 is in compliance with the SEBI SBEB & SE Regulations. As on date, 8,820,500 options (being 5,880,300 time based options and 2,940,200 price based options) have been granted to eligible employees. 1,995,100 time based options have been vested. The balance time-based options and all price based options shall vest as per terms of grant approved by the NRC. Further, no options are pending for grants. Each option is convertible into one Equity Share of ₹1/- each.

Directors' Report (Contd.)

The disclosures as per Rule 12 (9) of the Companies (Share Capital and Debenture) Rules, 2014 are as follows:

ESOP III - 2020

| Particulars (as on March 31, 2022) | |
|--|--|
| Total options outstanding (including vested but not exercised and unvested options) as at the beginning of the year | 1,050,000 |
| Total options granted during the year | 7,770,500 |
| Total options vested during the year | 700,000 |
| Total options exercised during the year | - |
| Total number of Equity Shares arising as a result of exercise of granted options [^] | 8,820,500 |
| Options lapsed | - |
| Exercise price of options in ₹ (as on the date of grant of options) [^] | 0.10 |
| Variation of terms of options | There has been variation in terms of vesting schedule of few employees as per their letter of grant which was not prejudicial to their interest. |
| Money realised by exercise of options (in ₹ Mn) | - |
| Total number of options outstanding in force (excluding options not granted) | 8,820,500 |
| Employee wise details of options granted to: | |
| (i) Key managerial personnel | |
| - Pooja Gupta | 750,000 |
| - Suraj Saharan | 758,000 |
| (ii) Any other employee who receives a grant of options in any one year of option amounting to 5% or more of the options granted during that year | |
| Rohan Shanbhag | 525,000 |
| Thota Nagadhar | 525,000 |
| (iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of your Company at the time of grant | |
| | Nil |

[^] Pursuant to the issuance and allotment of bonus shares (in the proportion of 9:1 i.e. nine equity shares of ₹10 each for every one equity share of ₹10 each) vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and Sub division of FV of equity shares (in the proportion of 1 equity share of ₹10/- each to 10 equity shares of ₹1/- each) pursuant to a resolution passed at the AGM dated September 29, 2021, appropriate adjustments were made to the outstanding options granted to the employees of the Company under and in terms of the Delhivery Employees Stock Option Plan III 2020 such that the exercise price for all outstanding options as on relevant record date (vested and unvested options, including lapsed and forfeited options available for reissue) was proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on relevant record date were appropriately adjusted.

ESOP IV - 2021

The ESOP IV - 2021 was approved pursuant to a Board resolution dated September 24, 2021 and Members' resolution dated September 29, 2021. The ESOP IV - 2021 is in compliance with the SEBI SBEB & SE Regulations. The total ESOP pool consists of 4,72,00,000 options (time/price based). The Company has granted 7,600,000 options (2,500,000 time based and 5,100,000 price based) under the ESOP IV - 2021, during the year and no options has been vested till date. The time-based and price-based options shall vest as per the terms of grant approved by the NRC. Further, 39,600,000 options (time/price based) are pending for grant under ESOP IV - 2021. Each option is convertible into one Equity Share of ₹1/- each.

The disclosures as per Rule 12 (9) of the Companies (Share Capital and Debenture) Rules, 2014 are as follows:

ESOP IV - 2021

| Particulars (as on March 31, 2022) | |
|--|-----------|
| Total options outstanding (including vested but not exercised and unvested options) as at the beginning of the year | - |
| Total options granted during the year | 7,600,000 |
| Total options vested during the year | - |
| Total options exercised during the year | - |
| Total number of Equity Shares arising as a result of exercise of granted options | 7,600,000 |
| Options Lapsed | - |
| Exercise price of options in ₹(as on the date of grant of options) | 1 |
| Variation of terms of options | NA |
| Money realised by exercise of options (in ₹ Mn) | - |
| Total number of options outstanding in force (excluding options not granted) | 7,600,000 |
| Employee wise details of options granted to: | |
| (i) Key managerial personnel | |
| - Sahil Barua | 7,600,000 |
| (ii) Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year | |
| | Nil |
| (iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of your Company at the time of grant | |
| - Sahil Barua, Managing Director and Chief Executive Officer and KMP during FY22 | 7,600,000 |

The disclosures as stipulated under the SEBI SBEB & SE Regulations as on March 31, 2022 are not applicable on your Company as it was not listed till March 31, 2022.

Credit Rating

Not applicable

Investor Grievances

During the year, your Company has not received any Complaint from any investor.

Directors and Key Managerial Personnel

Your Company has an appropriate mix of Executive Directors, Non-Executive Directors and Independent Directors in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. The Board of the Company consists of eminent individuals of diverse backgrounds with skills, experience and expertise in various areas as detailed in the Corporate Governance Report.

The composition of the Board and Key Managerial Personnel and changes therein during the year are as under:

- Ms. Anjali Bansal (DIN: 00207746) Non-Executive Director resigned from the Board w.e.f. September 16, 2021 due to pre-occupation.
- Ms. Hanne Birgitte Breinbjerg Sorensen (DIN: 08035439), Non-Executive Director resigned from the Board w.e.f. October 01, 2021 due to pre-occupation.
- Mr. Deepak Kapoor (DIN: 00162957) Non-Executive Director was redesignated and appointed as Non-Executive - Independent Director for a period of 5 years w.e.f. October 01, 2021, not liable to retire by rotation.
- Further the Board in its meeting held on October 13, 2021 had appointed Mr. Kapoor as Chairman of the Board.
- Mr. Srivatsan Rajan (DIN: 00754512) Non-Executive Director was redesignated and appointed as Non-Executive - Independent Director for a period of 5 years w.e.f. October 01, 2021, not liable to retire by rotation. Mr. Rajan also serves on the Board of material subsidiary viz. Spoton Logistics Private Limited ("SLPL") as an Independent Director.
- Mr. Romesh Sobti (DIN: 00031034) was appointed as Non-Executive - Independent Director for a period of 5 years, w.e.f. October 01, 2021, not liable to retire by rotation.
- Mr. Saugata Gupta (DIN: 05251806) was appointed as Non-Executive - Independent Director for a period of 5 years, w.e.f. October 01, 2021, not liable to retire by rotation.
- Mr. Sahil Barua (DIN: 05131571), being the Director and CEO of the Company, was appointed as Managing Director and Chief Executive Officer of the Company for a period of 5 years w.e.f. October 13, 2021, not liable to retire by rotation. Further, in accordance with provisions of Section 152(6) of the Act, on the recommendations of the Nomination & Remuneration Committee ("NRC"), the Board has changed the terms of appointment of Mr. Barua from being "not liable to retire by rotation" to "liable to retire by rotation" w.e.f. July 09, 2022 subject to approval of Members in the ensuing AGM.
- Mr. Sandeep Kumar Barasia (DIN: 01432123), being the Director and Chief Business Officer of the Company, was appointed as Whole- Time Director (designated as Executive Director and Chief Business Officer) of the Company for a period of 5 years w.e.f. October 13, 2021, not liable to retire by rotation. Further, in accordance with provisions of Section 152(6) of the Act, on the

Directors' Report (Contd.)

recommendations of the NRC, the Board has changed the terms of appointment of Mr. Barasia from being "not liable to retire by rotation" to "liable to retire by rotation" w.e.f. July 08, 2022 subject to approval of Members in the ensuing AGM.

- Mr. Kapil Bharati (DIN: 02227607) was appointed as the Executive Director of the Company w.e.f. August 19, 2021 and was further appointed as Whole-Time Director (designated as Executive Director and Chief Technology Officer) of the Company for a period of 5 years w.e.f. October 13, 2021, liable to retire by rotation.
- Ms. Kalpana Jaisingh Morparia (DIN: 00046081) was appointed as Non-Executive – Independent Director for a period of 5 years, w.e.f. October 13, 2021, not liable to retire by rotation.
- Mr. Suvir Suren Sujana (DIN: 01173669), Non-Executive – Nominee director representing M/s Nexus Ventures III Ltd. and Nexus Opportunity Fund Ltd., Equity Investors of the Company, was made as liable to retire by rotation w.e.f. October 13, 2021. Consequent upon listing of shares of the Company w.e.f. May 24, 2022 he has ceased to be a nominee of M/s Nexus Ventures III Ltd. and Nexus Opportunity Fund Ltd., Equity Investors of the Company and continues as a Non-Executive Director.
- Mr. Agus Tandiono (DIN: 08577542), Non-Executive – Nominee Director representing M/s Canada Pension Plan Investment Board, an Equity Investor of the Company, was made liable to retire by rotation w.e.f. October 13, 2021. Subsequently, Mr. Tandiono, resigned from the Board w.e.f. April 08, 2022 due to personal reasons and preoccupation.
- Mr. Munish Ravinder Varma (DIN: 02442753), Non-Executive – Nominee director representing M/s SVF Doorbell (Cayman) Ltd, an Equity Investor of the Company, was made liable to retire by rotation w.e.f. October 13, 2021. Subsequently, Mr. Varma, resigned from the Board w.e.f. June 29, 2022 due to personal reasons.
- Mr. Deep Verma (DIN: 06789500) Non-Executive – Nominee Director representing M/s Internet Fund III Pte. Ltd., Equity Investor of the Company, resigned from Directorship w.e.f. October 13, 2021 due to personal reasons.
- Mr. Jiang Bo (DIN: 08659500) Non-Executive – Nominee Director representing M/s Deli CMF Pte. Ltd., Equity Investor of the Company, resigned from Directorship w.e.f. October 13, 2021 due to personal reasons.
- Mr. Neeraj Bharadwaj (DIN: 01314963) Non-Executive – Nominee Director representing M/s CA Swift Investments (Carlyle), Equity Investor of the Company, resigned from Directorship w.e.f. October 13, 2021 due to personal reasons.
- Mr. Gautam Sinha (DIN: 01611273) Non-Executive – Nominee Director representing M/s Times Internet Limited, Equity Investor of the Company, resigned from Directorship w.e.f. October 22, 2021 due to personal reasons.

- Mr. Sumer Juneja (DIN: 08343545) Non-Executive – Nominee Director representing M/s SVF Doorbell (Cayman) Ltd (SoftBank), Equity Investor of the Company, resigned from Directorship w.e.f. October 22, 2021 due to personal reasons.
- Mr. Donald Francis Colleran (DIN: 09431299) was appointed as Non-Executive – Nominee Director to represent M/s FedEx Express Transportation and Supply Chain Services (India) Private Limited ("FedEx"), Equity Investor of the Company, w.e.f. December 24, 2021, liable to retire by rotation. Consequent upon listing of shares of the Company w.e.f. May 24, 2022 he has ceased to be a nominee of FedEx and continues as a Non-Executive Director.

The Board places on record its appreciation for Ms. Anjali Bansal, Ms. Hanne Birgitte Breinbjerg Sorensen, Mr. Agus Tandiono, Mr. Munish Ravinder Varma, Mr. Deep Verma, Mr. Jiang Bo, Mr. Neeraj Bharadwaj, Mr. Gautam Sinha and Mr. Sumer Juneja, directors who have ceased as director for their invaluable contribution and guidance during their tenure.

The non-executive directors of the Company had no pecuniary relationship or transactions during the year with the Company, other than sitting fees, remuneration and reimbursement of expenses, if any, as detailed in Corporate Governance Report forming part of this report.

Post FY22, on the recommendations of the NRC, the Board has appointed Ms. Aruna Sundararajan (DIN: 03523267) as additional Non-Executive – Independent Director for a period of 5 years, w.e.f. July 08, 2022, not liable to retire by rotation, subject to approval of the Members in the ensuing AGM.

Key Managerial Personnel

Changes in Other Key Managerial Personnel (KMP) during the year are as under:

- Due to change in designation, Ms. Kriti Gupta resigned from the position of Company Secretary w.e.f. June 18, 2021 and she continues to work with the Company.
- Mr. Vivek Kumar was appointed as Company Secretary w.e.f. June 19, 2021. Due to change in designation, he resigned from the position of the Company Secretary w.e.f. September 17, 2021 and was re-designated as Deputy Company Secretary.
- Mr. Sunil Kumar Bansal was appointed as Company Secretary w.e.f. September 17, 2021 and was additionally designated as Compliance Officer w.e.f. October 13, 2021.

Directors and the KMPs as on March 31, 2022 are as under:

| S. No. | Name of Director and KMPs | Designation |
|--------|-------------------------------|--|
| 1 | Mr. Deepak Kapoor | Chairman and Non-Executive Independent Director |
| 2 | Mr. Srivatsan Rajan | Non-Executive Independent Director |
| 3 | Mr. Romesh Sobti | Non-Executive Independent Director |
| 4 | Mr. Saugata Gupta | Non-Executive Independent Director |
| 5 | Ms. Kalpana Jaisingh Morparia | Non-Executive Independent Director |
| 6 | Mr. Sahil Barua | Managing Director and Chief Executive Officer, KMP |
| 7 | Mr. Sandeep Kumar Barasia | Executive Director and Chief Business Officer, KMP |
| 8 | Mr. Kapil Bharati | Executive Director and Chief Technology Officer, KMP |
| 9 | Mr. Suvir Suren Sujana | Non-Executive Nominee Director |
| 10 | Mr. Agus Tandiono | Non-Executive Nominee Director |
| 11 | Mr. Munish Ravinder Varma | Non-Executive Nominee Director |
| 12 | Mr. Donald Francis Colleran | Non-Executive Nominee Director |
| 13 | Mr. Amit Agarwal | Chief Financial Officer, KMP |
| 14 | Mr. Sunil Kumar Bansal | Company Secretary and Compliance Officer, KMP |

In addition to the aforesaid Directors and KMPs, following Senior Management Personnel have also been designated as KMPs as on March 31, 2022:

| S. No. | Name of KMPs | Designation |
|--------|-------------------------|--|
| 1 | Mr. Suraj Saharan | Head of New Ventures |
| 2 | Mr. Ajith Pai Mangalore | Chief Operating Officer |
| 3 | Ms. Pooja Gupta | Chief People Officer |
| 4 | Mr. Abhik Mitra* | Managing Director and CEO of Spoton Logistics Pvt. Ltd., being a material subsidiary company |

*Mr. Abhik Mitra was also designated as Chief Customer Experience Officer of the Company w.e.f. May 14, 2022

Directors retiring by Rotation:

All the Directors (other than the Independent Directors), on the Board of your Company are liable to retire by rotation, subject to your approval in the ensuing Annual General Meeting. In terms of the provisions of Section 152 (6) of the Act and the Rules made thereunder, Mr. Suvir Suren Sujana, Non-Executive Director, retires by rotation and being eligible, has offered himself for re-appointment. Based on the recommendations of the NRC, the Board recommends his re-appointment as Director at the ensuing AGM. The details as required under the SEBI Listing Regulations, as amended, are contained in the Notice convening the ensuing AGM of your Company.

Independent Directors' Declaration

Your Company has received necessary declarations from each Independent Director under the provisions of Section 149 of the Act and Regulation 16 of SEBI Listing Regulations, 2015, that they meet the criteria of independence laid down under the said Section and Regulation.

In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further, in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

Familiarisation Programme for Directors

Disclosure pertaining to familiarisation programmes for Directors is provided in the Corporate Governance Report forming part of this Report.

Board and Committee Meetings

Your Company was in the process of IPO of its Equity Shares during the year. 20 (twenty) Board Meetings were held during the year to consider and approve various matters including approvals required for the IPO process. The details of the meetings and the attendance of the Directors are mentioned in the Corporate Governance Report forming part of this Report.

The Board has formed various Committees, as per the provisions of the Act and as per SEBI Listing Regulations. The terms of reference and the constitution of these Committees are in compliance with the applicable laws and ensure attention on business and better governance and accountability. The Board and all the Committees thereof are headed by Independent Directors.

The constituted Committees are: a) Audit Committee; b) Nomination and Remuneration Committee; c) Corporate Social Responsibility Committee*, d) Stakeholders Relationship Committee; e) Risk Management Committee; f) IPO Committee; g) Merger and Amalgamation ("M&A") Committee.

The details with respect to the composition, terms of reference, number of meetings held, and business transacted by the aforesaid Committees, are given in the Corporate Governance Report forming part of this Report.

*The nomenclature of Corporate Social Responsibility Committee has been changed to "CSR & Sustainability Committee" w.e.f. May 30, 2022.

Directors' Report (Contd.)

Policy on Director's Appointment, Remuneration and other matters

The Policy of your Company on appointment and remuneration including criteria for determining the qualification, positive attributes, independence and other matters of Directors, KMPs & Senior Management Personnel as per applicable provisions under Sec 178 of the Act read with SEBI Listing Regulations has been formulated by the NRC and approved by the Board. The said Policy is uploaded on the website of your Company at <https://www.delhivery.com/investor-relations/> and is followed for respective appointments.

Board Evaluation

The NRC has formulated a Policy and criteria for evaluation of the Board and its Committees and the same has been adopted by the Board. The Company got listed on May 24, 2022 on Stock Exchanges and the performance evaluation of the Board and Committees for FY22 was carried out by Directors during May 2022 and results of the same were shared with the Board. The performance of the Board and its Committees were evaluated after seeking inputs from all the Directors on the basis of criteria such as the composition and meetings, role & responsibilities and overall effectiveness of the Board & Committees. The details of Board Evaluation process are mentioned in the Corporate Governance Report forming part of this Report

Pursuant to Schedule IV of the Act read with Regulation 25 of SEBI Listing Regulations, the Independent Directors met on October 13, 2021, May 04, 2022 and May 28, 2022 without the presence of Non-Independent Directors and members of the management and have inter-alia assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Directors' Responsibility Statement

In terms of the Section 134(5) of the Act, your Directors have relied on the Independent Auditors report, representation by the management team and to the best of their knowledge and belief, state that:

- in preparation of the annual accounts for the FY22, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2022 and loss of the Company for the period ended on that date;
- the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- they had prepared annual accounts on a going concern basis;

- they had laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and were operating effectively; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Controls and their Adequacy

Your Company has internal control systems in place commensurate with the size scale and complexity of its operations. The internal controls have been designed further to the interest of all its stakeholders by providing an environment which is facilitative to conduct its operations and take care of, inter-alia, financial and operational risk with emphasis on integrity and ethics as part of work culture.

Your Company has laid down a set of standards, policies and processes to implement internal financial control across the organisation and same are adequate and operating effectively. Your Company has an adequate Internal Financial Control System over financial reporting ensuring that all transactions are authorised, recorded, and reported correctly in a timely manner to provide reliable financial information and to comply with applicable accounting standards which commensurate with the size and volume of business of the Company. Details of the internal financial controls of the Company are mentioned in the Management Discussion and Analysis Report ("MD&A Report") forming part of this report.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control systems in the Company and its compliance with accounting procedures, financial reporting and policies. The reports of Internal Audit are reviewed and discussed by the Audit Committee in detail and the process owners take corrective actions in their respective areas and thereby strengthen the controls. A summary of the audit observations & corrective actions is placed before the Board by the Management and the Chairperson of the Audit Committee briefs the Board on recommendations of the Audit Committee for its discussion and suggestions thereon.

Subsidiaries, Associate Companies & Joint Ventures

Subsidiaries:

Your Company has 10 (ten) wholly owned subsidiaries during the year (including 2 (two) wholly owned step-down subsidiaries) as follows:

- Delhivery Freight Services Private Limited, India ("DFSPL")
- Orion Supply Chain Private Limited, India ("OSCPL")
- Delhivery Cross Border Services Private Limited, India (formerly known as Skynet Logistics Private Limited)
- Delhivery Corp Limited, United Kingdom
- Delhivery HK Pte. Limited, Hong Kong
- Delhivery USA, LLC ("Delhivery USA")

- Delhivery Singapore Pte. Ltd., Singapore (w.e.f. August 02, 2021) ("Delhivery Singapore")
- Delhivery Robotics LLC, USA, (w.e.f. August 23, 2021) ("Delhivery Robotics") (Subsidiary of Delhivery Singapore)
- Spoton Logistics Private Limited, India ("Spoton") (w.e.f. August 24, 2021)
- Spoton Supply Chain Solutions Private Limited, India (w.e.f. August 24, 2021) (Subsidiary of Spoton)

Your Board reviewed the affairs of subsidiaries and there has been no material change in the nature of the business of such subsidiaries.

Associate Companies:

- Leucon Technology Private Limited, wherein the Company held 28.58% of equity shares ceased as an associate Company w.e.f. November 19, 2021
- Falcon Autotech Private Limited ("Falcon") wherein the Company holds 34.55% of equity shares became an associate company w.e.f. January 04, 2022

Joint Venture:

There was no joint venture of your Company as defined under the provisions of the Act during the year.

In accordance with the provisions of Section 129 of the Act, your Company has prepared Consolidated Financial Statements of the Company and all its subsidiaries and associates which form part of this Report. Further, the report on the performance and financial position of each subsidiary and associate, as applicable and salient features of their Financial Statements in the prescribed Form AOC-1 is annexed to this Report as **Annexure 1**. Further, contribution of subsidiaries and associates to the overall performance of your Company have been disclosed in note No. 42 of the Consolidated Financial Statements.

In accordance with the provisions of Section 136 of the Act and the amendments thereto, read with the SEBI Listing Regulations, the audited financial statements, including the consolidated financial statements and related information of your Company and financial statements of the subsidiary companies are available on the website of your Company at <https://www.delhivery.com/investor-relations/> for inspection by the Members.

Pursuant to the provisions of Regulation 16(c) of SEBI Listing Regulations, the Board has approved and adopted a Policy for determining Material Subsidiary. Further, Spoton Logistics Private Limited is a material subsidiary of the Company. Policy on Material Subsidiary is uploaded on the website of your Company at <https://www.delhivery.com/investor-relations/>.

Deposits

During the year, your Company has not accepted any deposits from the public in terms of the provisions of Section 73 of the Act. Further, no amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2022.

Particulars of Loans, Guarantees or Investments

Your Company has not given any guarantee and/or provided any security to any body corporate, whether directly or indirectly, within the meaning of Section 186 of the Act.

The details of loans and investments covered under Section 186 of the Act have been disclosed in note no.35 to the standalone financial statements forming part of this Report.

Related Party Transactions

Your Company has formulated a Policy on Related Party Transactions in accordance with the provisions of Sections 177 and 188 of the Act and Rules made thereunder read with Regulation 23 of SEBI Listing Regulations, and the same is available on the website of your Company at <https://www.delhivery.com/investor-relations/>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between your Company and its related parties.

All Related-Party contracts or arrangements or transactions entered during the year were on arm's-length basis and in the ordinary course of business and in compliance with the applicable provisions of the Act/ SEBI Listing Regulations. None of the contract or arrangement or transaction with any of the Related Parties was in conflict with the interest of the Company.

Since all the transactions with related parties during the year were on arm's length basis and in the ordinary course of business, hence, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company for FY22.

Details of related party transactions entered into by your Company, in terms of Ind AS-24 have been disclosed in the note no. 35 to the respective standalone and consolidated financial statements forming part of this Report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Details of the energy conservation, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) read with Rule 8 of the Companies (Account) Rules, 2014 are annexed to this Report as **Annexure 2**.

Vigil Mechanism / Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Act and Regulation 22 of SEBI Listing Regulations, your Company has established a Vigil Mechanism / Whistle Blower Policy for Directors, employees, vendors, customers and other stakeholders of your Company and its subsidiaries to raise and report concerns regarding any unethical conduct, irregularity, misconduct, actual or suspected fraud or any other violation of the Policy within your Company. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanisms and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The said Policy is available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

Directors' Report (Contd.)

Auditors & Auditors Report:

Statutory Auditors

The Members at the AGM held on September 30, 2019, approved the appointment of M/s. S. R. Batliboi & Associates LLP (Firm Registration No. 101049W/E300004), Chartered Accountants, as the statutory auditors of the Company for a period of four years commencing from the conclusion of the 08th AGM held on September 30, 2019, until the conclusion of 12th AGM of your Company to be held in the year 2023.

The report of the Statutory Auditors forms part of the Annual Report for FY22. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial Auditors

The Board appointed M/s. VAPN & Associates, (Registration No. P2015DE045500) Practising Company Secretaries, as the Secretarial Auditor to conduct Secretarial Audit of your Company for FY22 as per the provisions of Section 204 of the Act. The Secretarial Audit Report for the FY22 is annexed to this Report as **Annexure-3**. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

Further, the Board has appointed M/s. VAPN & Associates as the Secretarial Auditor of the Company for FY23.

Spoton Logistics Private Limited ("Spoton"), a material subsidiary of your Company, has also undergone a Secretarial Audit under Section 204 of the Act. The Secretarial Audit Report for the FY22 issued by Mr. Madhwesh K, Practising Company Secretary, Bengaluru, is annexed to this Report as **Annexure 4**.

The above reports are self-explanatory and do not contain any qualifications, reservations, adverse remarks or disclaimers.

Internal Auditors

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, M/s PricewaterhouseCoopers Services LLP, were appointed as Internal Auditors by the Board to conduct internal audit of your Company for the FY22. The scope and authority of internal audit is defined by the Audit Committee which is reviewed each year in consultation with statutory auditors and approved by the Audit Committee. Their report on findings is submitted to the Audit Committee on periodic basis and corrective actions are taken by the respective functional teams as per suggestions of the Internal Auditor and Audit Committee.

Further, the Board has appointed M/s. Pricewaterhouse Coopers Services as the Internal Auditor of your Company for FY23.

Disclosure regarding Frauds

During the year, there were no frauds reported by the Auditors to the Audit Committee, the Board or to the Central Government under Section 143(12) of the Act.

Cost Records and Audit

Maintenance of cost records as specified by Central Government u/s 148(1) of the Act is not applicable to your Company.

Annual Return

The Annual Return in Form MGT - 7 for the FY22 pursuant to Section 92(3) read with Section 134(3)(a) of the Act and Rules made thereunder, is available on website of your Company at <https://www.delhivery.com/investor-relations/>.

Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has zero tolerance towards sexual harassment at the workplace. Your Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. Your Company has complied with the provisions relating to the constitution of the Internal Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year, your Company received 26 complaints of sexual harassment, of which 22 complaints were resolved by taking appropriate actions and 4 complaints were under investigation as on March 31, 2022 which have also been resolved subsequently.

Downstream Investment

Your Company is in compliance with applicable laws regarding downstream investment as per Foreign Exchange Management (Non-debt Instruments) Rules, 2019, issued by Reserve Bank of India ("RBI") and has obtained requisite certificate from the statutory auditors in this regard.

Corporate Social Responsibility ("CSR")

Your Company has adopted a CSR Policy and has undertaken CSR activities on a voluntary basis towards a sustainable community development and CSR activities are aligned to the requirements of Section 135 of the Act. The CSR policy, the Composition of the Committee, terms of reference of the CSR Committee and the projects undertaken is available on the website of your Company at <https://www.delhivery.com/investor-relations/>. The Annual Report on CSR activities, in terms of Section 135 of the Act and the Rules framed thereunder, is annexed to this Report as **Annexure 5**.

The more details are mentioned in the Corporate Governance Report forming part of this Report.

Risk Management

Risk Management is an integral part of strategy and planning process of your Company. The Board has formed a Risk Management Committee to frame, implement and monitor the Risk Management policy/ framework of your Company. The Committee is responsible for monitoring and reviewing the risk management framework and ensuring its effectiveness. Your Company has a risk management policy and framework in place to identify, assess and mitigate risks appropriately. The Policy is available on the website of your Company at <https://www.delhivery.com/investor-relations/>. The approach to risk management is designed to provide reasonable assurance that the assets are safeguarded, the

risks facing the business are being assessed and mitigated and all information that may be required to be disclosed is reported to Senior Management, the Audit Committee, the Risk Management Committee and the Board.

The Audit Committee has additional oversight in the areas of financial risks and controls, the major risks identified by the business and functions are systematically addressed on a continuous basis. The details of the Risk Management Committee and its functions are furnished in the Corporate Governance Report forming of this Report. More details on risk management are furnished in the MD&A report forming part of this Report. There are no risks which in the opinion of the Board threaten the existence of your Company.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as **Annexure 6** forming part of this Report.

In terms of Section 197(12) of the Act, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of limits set out in said rules forms part of this Report. Considering the provisions of Section 136 of the Act, the Annual Report, excluding the aforesaid information, is being sent to the Members of the Company and others entitled thereto. The said information is available for inspection at the registered office of your Company or through electronic mode during business hours on working days up to the date of the forthcoming AGM, by Members. Any Member interested in obtaining a copy thereof may send an email to corporateaffairs@delhivery.com.

Human Resources and Employee Relations / Development

Through the course of the last two Covid-impacted years, your Company stayed focused on the health and wellbeing of employees and undertook a host of initiatives to ensure this. These included the enforcement of strict covid protocols, set up of covid helpdesks and a medical task-force, setup of isolation centres, deployment of nurses and doctors, vaccination drives and roll-out of a company-wide Employee Assistance and Wellness Program. Despite the challenges posed by the pandemic, your Company continued to expand the organisation and talent pool through the year, across permanent employees, contractual workforce as well as partner agents.

Various programs were introduced as your Company strives that the employees stayed connected, informed and engaged with their teams and the leadership. Some of the actions taken by your Company includes the relaunch of its intranet, piloting a new recognition program, revamping of the new employee onboarding program as well as a successful execution of the annual employee engagement survey. Your Company continued to support employees through mechanisms like the Employee Welfare Fund and

the Employee Loan Assistance Policy to help them navigate periods of financial stress and uncertainty.

Mirroring the ambitions and needs of the employees, your Company has in-place a holistic approach to performance and talent management. The rewards philosophy is linked to individual and organisational performance and leads to the development of a high-performance work culture. Your Company believes in inculcating a culture of ownership and have broad-based the ESOP coverage to a much larger pool of employees in FY22. Your Company strives to invest in the professional growth and development of its employees through a well-structured Learning & Development program and has a Continuous Learning Policy and a comprehensive program for training and development of people.

Your Company remains deeply committed to the development of a truly diverse, inclusive and engaged organisation and this reflects in all Company policies. Your Company have zero tolerance for non-compliance to policies for the Prevention of Sexual Harassment (PoSH) at the workplace and the Company's Code of Conduct.

More details about these initiatives can be found in the Human Capital section of this Annual Report.

Management Discussion and Analysis Report ("MD&A Report")

The MD&A Report for the FY22, as stipulated under Regulation 34 of the SEBI Listing Regulations, is annexed separately forming part of this Report.

Corporate Governance

Your Company has complied with the applicable corporate governance requirements under the Act and SEBI Listing Regulations. A separate section on corporate governance, along with a certificate from the practicing company secretary confirming Corporate Governance compliances is annexed forming part of this Report.

Prevention of Insider Trading

Your Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The said Code is available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

Other Disclosures

In terms of the applicable provisions of the Act and SEBI Listing Regulations, your Company provides following additional disclosures as on March 31, 2022:

- No equity shares with differential rights as to dividend, voting or otherwise have been issued.
- No Sweat equity shares have been issued.
- No Buyback of shares have been undertaken.
- None of your Directors has received any remuneration or commission from any subsidiary of the Company.

Directors' Report (Contd.)

- Requirement of one time settlement with Banks or Financial Institutions was not applicable.
- No amount or Shares were required to be transferred to the Investor Education and Protection Fund.
- Your Company has complied with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India.
- The entire share capital of your Company has been dematerialized.
- The requirement of submitting a business responsibility and sustainability report is not applicable.
- No application was required to be made by or against your Company and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- No significant and material order was passed by the regulators or courts or tribunals impacting the going concern status and the Company's future operations.

Cautionary Statement

Statements in this Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

Acknowledgement

The success of your Company is directly linked to hard work and commitment of the employees who worked round-the-clock to ensure the business continuity and exceptional service quality offerings for the Customers.

The Board wishes to place on record its sincere appreciation to all employees for their hard work, dedication, commitment and efforts put in by them for achieving encouraging results under difficult conditions during this unprecedented year. The Board also wishes to express its sincere appreciation and thanks to all customers, suppliers, banks, financial institutions, solicitors, advisors, Government of India, concerned State Governments and other regulatory & statutory authorities for their consistent support and cooperation extended to your Company during the year.

The Board is deeply grateful to the Members of the Company for entrusting their confidence and faith.

The Board mourns the loss of lives due to COVID-19 pandemic and have immense gratitude and respect for every person who risked their lives and safety to fight this pandemic and protect the society at large.

For and on behalf of the Board of Directors
For **Delhivery Limited**
(formerly known as Delhivery Private Limited)

Sahil Barua
Managing Director
and Chief Executive Officer
DIN: 05131571

Deepak Kapoor
Chairman and Non-Executive
Independent Director
DIN: 00162957

Date: August 22, 2022
Place: Gurugram

Annexure-1

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures as on March 31, 2022.

PART A: SUBSIDIARIES

| Amount (₹ in Million) | | | | | | | | | |
|-----------------------|---|-------------------|------------------------|-----------------------|---|------------------------------------|--|---|---|
| Sl. No. | Particulars | | | | | | | | |
| 1. | Name of the Subsidiary | Delhivery USA LLC | Delhivery Corp Limited | Delhivery HK Pte Ltd. | Delhivery Cross Border Services Private Limited | Orion Supply Chain Private Limited | Delhivery Freight Services Private Limited | Spoton Logistics Private Limited ⁽⁴⁾ | Delhivery Singapore Pte Ltd. ⁽⁵⁾ |
| 2. | The date since when subsidiary was acquired (dd/mm/yyyy) | 23-05-2016 | 16-03-2016 | 03-08-2018 | 12-12-2015 | 06-12-2019 | 21-04-2020 | 24-08-2021 | 02-08-2021 |
| 3. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable | Not applicable |
| 4. | Reporting currency | USD | GBP | HKD | INR | INR | INR | INR | USD |
| 5. | Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | 76.24 | 100.37 | 9.74 | Not applicable | Not applicable | Not applicable | Not applicable | 76.24 |
| 6. | Share Capital | 493.54 | 233.61 | 20.81 | 55.10 | 0.10 | 0.10 | 206.41 | 147.42 |
| 7. | Reserves & Surplus | (418.93) | (223.83) | 27.71 | (134.76) | (245.12) | (878.34) | 207.70 | (12.45) |
| 8. | Total assets | 105.14 | 10.28 | 149.47 | 83.63 | 122.01 | 704.64 | 4,324.48 | 146.14 |
| 9. | Total liabilities | 30.53 | 0.50 | 100.96 | 163.29 | 367.04 | 1582.77 | 3,910.37 | 11.16 |
| 10. | Investments | - | - | - | - | - | - | - | - |
| 11. | Total Turnover | 1.37 | - | 261.67 | - | 530.79 | 2,169.81 | 6,940.13 | - |
| 12. | Profit/(loss) before tax | (273.23) | (12.49) | 17.63 | 3.00 | (151.89) | (599.38) | 192.47 | (32.47) |
| 13. | Tax Expense | - | - | - | - | - | - | 66.10 | - |
| 14. | Profit / (loss) after tax | (273.23) | (12.49) | 17.63 | 3.00 | (151.89) | (599.38) | 126.37 | (32.47) |
| 15. | Proposed Dividend | - | - | - | - | - | - | - | - |
| 16. | Extent of shareholding (in percentage) | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

Notes:

- Names of subsidiaries which are yet to commence operations: Not Applicable;
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable;
- Reporting period for all the subsidiaries is April 01, 2021 to March 31, 2022
- Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited), being a wholly owned subsidiary of Spoton Logistics Private Limited became a subsidiary of the Company w.e.f. August 24, 2021. The above statement contains the financial information of Spoton Logistics Private Limited & Spoton Supply Chain Solutions Private Limited w.e.f. August 24, 2021 and the same has been considered for consolidation purposes.
- Delhivery Robotics LLC was incorporated as a wholly owned subsidiary of Delhivery Singapore Pte Ltd. and became a subsidiary of the Company w.e.f. August 23, 2021. The above statement contains the financial information of Delhivery Singapore Pte Ltd. w.e.f. August 02, 2021 and Delhivery Robotics LLC w.e.f. August 23, 2021. The same has been considered for consolidation purposes.

Directors' Report (Contd.)

PART B: ASSOCIATES

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures*:

| Sl. No. | Particulars | | |
|---------|--|---|--|
| 1. | Name of associates | Falcon Autotech Private Limited | Leucon Technology Private Limited |
| 2. | Latest audited Balance Sheet Date | Unaudited as on March 31, 2022 | Not Applicable as it ceased to be an Associate Company w.e.f. November 19, 2021. |
| 3. | Date on which the Associate was associated or acquired | January 04, 2022 | August 12, 2015 |
| 4. | Shares of Associate held by the Company on the year end | | |
| | i. Number of shares (Equity & Preference) | 6,09,539 Equity shares | 5 Equity shares and 4,653 Preference shares |
| | ii. Amount of Investment in Associates | ₹2,518.94 million | ₹95.12 million |
| | iii. Extent of Holding | 34.55% | 28.58% |
| 5. | Description of how there is significant influence | By way of shareholding | By way of shareholding |
| 6. | Reason why the associate is not consolidated | The share of profit & loss of the associate has been consolidated in the profit & loss account of the Company | Ceased to be an Associate Company w.e.f. November 19, 2021 |
| 7. | Net worth attributable to shareholding as per latest audited Balance Sheet | 1,516.77 | Not Applicable |
| 8. | Profit/(Loss) for the year | (93.41) | Not Applicable |
| 9. | i. Considered in Consolidation | (32.27) | Not Applicable |
| | ii. Not Considered in Consolidation | (61.14) | Not Applicable |

*As on March 31, 2022, there is no Joint Venture pursuant to section 129(3) of Companies Act, 2013.

- Names of associates which are yet to commence operations: Not Applicable
- Names of associates which have been liquidated or sold during the year: Leucon Technology Private Limited

For and on behalf of the Board of Directors of

Delhivery Limited
(formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and Chief Business Officer
DIN: 01432123

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571

Amit Agarwal
Chief Financial Officer

Sunil Kumar Bansal
Company Secretary
FCS- 4810

Date: August 22, 2022
Place: Gurugram

Annexure-2

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo [Pursuant to Companies (Accounts) Rules, 2014]

(A) Conservation of Energy

- The steps taken or impact on conservation of energy – Your Company is committed to utilize renewable electricity in its offices, facilities & other premises and uses energy efficient devices and has a total installed capacity of 1.5 MW solar power plant at various facilities.
- The steps taken by your Company for utilizing alternate sources of energy – Installed capacity of 1.5 MW Solar Power Plant which resulted into:
 - Savings of 560 tonnes of CO2 emission in FY22 (Enerdata 2021: 1 KWh = 708.2 Kg of CO2 emission in India)
 - Reducing carbon footprint through tech solutions for better routing in the middle mile and last mile, higher truck/ bike utilization; use of fuel efficient, Volvo tractor trailers etc..
- The capital investment on energy conservation equipments – Nil

(B) Technology absorption

- The efforts made towards technology absorption
- The benefits derived like product improvement, cost reduction, product development or import substitution –

Business Growth:

- Launched in-house Order Management System (OMS) to record and track International Air Freight orders which has resulted in scaling the Air Freight offering.
- Created an Integrator product layer on top of Warehouse management system enabling faster integration for any enterprise or D2C brand to directly integrate with Delhivery's supply chain network.

Service Improvement:

- Continuous improvements in the underlying algorithms of mesh networks that routes load dynamically to achieve efficiency.
- Introduced an e-POD workflow to authenticate the shipments being returned at the point of return itself thereby eliminating disputes.
- Launched verified cancellations for consignees to reduce disputes on validity of remarks, and also reduce wasteful re-attempts.

Clients/Consignees/Partners experience:

- Launched Unified Client Panel - a single interface to access all Delhivery's services. which will make services of your Company more accessible.
- Improved the tracking experience for consignees on the Delhivery's website with special focus on automated responses.
- Acquired and integrated with Primaseller - a multi-channel OMS enabling D2C brands to have their online orders directly fulfilled with inventory that they stock with us.
- Launched Telescope - a dashboard that provides visibility to your enterprise clients of inventory and orders that we process on their behalf.

Financial Systems and Controls:

- Built financial systems to track and audit POD, automate billing, track collections, and improved prepaid offering by your Company and improved weight capturing as well to onboard more customers as prepaid.

Platform:

- Developing a Logistics Operating System which will enable Developers, startups and enterprises alike to build systems which orchestrate complex supply chain networks with very minimal effort and without having to worry about scalability of the systems.

Directors' Report (Contd.)

Hardware Automation:

- Our focus on hardware automation has continued through FY22 as we invested more in shipment and box sortation technologies:
 - a) Shipment sortation – added new compact sortation solution in various hubs.
 - b) Bag and box sortation – implemented bag/box sortation solutions in mega-gateways.
- Strengthened the core designing and capabilities for commercial drones to enable parcel deliveries while following all regulations.
- Invested in Falcon Autotech for developing automation solutions for network of your Company and bundling of their hardware with SaaS platform of your Company.

(iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year):

| | |
|--|----|
| a) the details of technology imported | NA |
| b) the year of import | NA |
| c) whether the technology been fully absorbed | NA |
| d) if not fully absorbed, areas where absorption has not taken NA place, and the reasons thereof | NA |

(iv) The expenditure incurred on Research and Development NA

(C) Foreign exchange earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during FY22 has been ₹96.05 million (FY21: ₹1.1 million) and the Foreign Exchange outgo during FY22 in terms of actual outflows has been ₹3,077.77 million (FY21: ₹854.84 million).

For and on behalf of the Board of Directors
For **Delhivery Limited**
(formerly known as Delhivery Private Limited)

Sahil Barua
Managing Director
and Chief Executive Officer
DIN: 05131571

Deepak Kapoor
Chairman and Non-Executive
Independent Director
DIN: 00162957

Date: August 22, 2022
Place: Gurugram

Annexure-3

Form No. MR-3 Secretarial Audit Report

For the Financial Year ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Delhivery Limited
(formerly known as Delhivery Private Limited)
CIN: L63090DL2011PLC221234

Registered Office: N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037

Corporate Office: Plot No.-5 Sector-44 Gurugram, Haryana 122002

We have conducted the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with Rule-9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, on the compliance of applicable statutory provisions and the adherence to good corporate practices by Delhivery Limited [formerly known as Delhivery Private Limited] (hereinafter called the "Company") during the financial year from April 01, 2021 to March 31, 2022 ('the year' / 'audit period' / 'period under review').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2022, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. Compliance with statutory provisions:

1.1. We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the applicable provisions of (as amended):

- (i) The Companies Act, 2013 ('the Act') and the Rules made there under read with notifications, exemptions and clarifications thereto;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, Current Account transactions, import and export of good and service.
- (v) The Secretarial Standard on 'Meetings of the Board of Directors' (SS-1) (to the extent applicable to Board meetings) and the Secretarial Standard on 'General Meetings' (SS-2) (to the extent applicable to General meetings) issued by the Institute of Company Secretaries of India.

1.2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (applicable to the Company to the extent of filing of Draft Red Herring Prospectus with SEBI in connection with the initial public offer);
- (ii) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (applicable to the Company to the extent of filing of Draft Red Herring Prospectus with SEBI in connection with the initial public offer);
- (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (applicable to the Company to the extent of filing of Draft Red Herring Prospectus with SEBI in connection with the initial public offer)

1.3. In relation to the period under review, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us, the Company in general has complied

Directors' Report (Contd.)

with the laws mentioned in clause (i) to (v) of paragraph 1.1 and clause (i) to (iii) of paragraph 1.2.

1.4. During the period under review, we are informed that the Company was not required to comply with the following laws / rules / regulations and consequently was not required to maintain any books, papers, Minute books or other records or file any forms / returns under:

- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (ii) The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015;
- (iii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
- (iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

2. Board Processes:

2.1. We further report that, the Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Women Director as required pursuant to Companies Act, 2013.

2.2. There were changes in the composition of the Board of Directors and it has been carried out in compliance with the provisions of the Act during the period under review.

2.3. Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least 7 (seven) days in advance except in respect of Board Meetings and Committee Meetings which were held on shorter notice, in compliance with Section 173(3) of the Companies Act, 2013.

2.4. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meetings and for meaningful participation at the meetings; and

2.5. All the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/Members present during the meeting and dissent, if any, have been duly incorporated in the Minutes.

3. Compliance mechanism:

3.1. We further report that, there seems to be adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with applicable laws, rules, regulations, and guidelines.

3.2. It is further reported that with respect to the compliance of other applicable laws, we have relied on the representations made by the Company and its officers for the system and mechanism framed by the Company for compliances under other specific applicable laws to the Company and as informed to us as under:

- (a) Carriage of Goods by Road Act, 2007;
- (b) Carriage of Goods by Air Act, 1972;
- (c) Carriage of Goods by Sea Act, 1925;
- (d) Motor Transport Workers Act, 1961;
- (e) Motor Vehicles Act, 1988;
- (f) Fatal Accidents Act, 1855;
- (g) The Factories Act, 1948;
- (h) Multimodal Transportation of Goods Act, 1993;
- (i) Railway Act, 1989;
- (j) Control of National Highways (Land and Traffic) Act, 2002;

3.3. The compliance by the Company with applicable finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Auditor and other designated professionals.

4. Specific events / actions:

We further report that during the audit period under review, having a major bearing on the Company's affairs, in pursuance of the above-referred laws, rules, regulations, and standards were:

(i) The change in the Share Capital Structure of the Company during the FY 2021-22:

(a) Changes in Authorized Share Capital of the Company:

During the period under review, pursuant to shareholders' resolution passed in their General Meeting as detailed thereunder had approved the changes in Authorised Share Capital of the Company:

| Date of Meeting of General Meeting | Nature of changes done in the authorised share capital |
|---|--|
| Increase in authorised share capital | |
| August 5, 2021 | The Company has increased the authorised share capital from ₹456,035,980 divided into 2,200,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each, and 4,310,337 preference shares of ₹100 each to ₹492,535,980 divided into 2,350,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,660,337 preference shares of ₹100 each |
| Increase in authorised share capital | |
| September 27, 2021 | The Company has increased the authorised share capital from ₹492,535,980 divided into 2,350,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each, and 4,660,337 preference shares of ₹100 each to ₹1,192,535,980 divided into 723,502,280 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,660,337 preference shares of ₹100 each |
| Sub-division of authorized share capital | |
| September 29, 2021 | The Company has sub-divided the authorized share capital from ₹1,192,535,980 divided into 723,502,280 equity shares of ₹10 each, 300,000 preference shares of ₹10 each, and 4,660,337 preference shares of ₹100 each to ₹1,192,535,980 divided into 723,502,280 equity shares of ₹1 each, 300,000 preference shares of ₹10 each and 4,660,337 preference shares of ₹100 each |
| Increase in authorised share capital | |
| October 15, 2021 | The Company has increased the authorized share capital from ₹1,192,535,980 divided into 723,502,280 Equity Shares of ₹1 each, 300,000 Preference Shares of ₹10 each, and 4,660,337 Preference Shares of ₹100 each to ₹1,342,535,980 divided into 873,502,280 Equity Shares of ₹1 each, 300,000 Preference Shares of ₹10 each and 4,660,337 of ₹100 each |

(b) Changes in Paid-up Share Capital of the Company:

During the period under review, the Board of Directors has passed the following resolutions for the allotment of shares:

| Sr. No. | Date of passing resolution | No. of Equity Shares allotted | Type of allotment/ Nature of allotment |
|--|--|-------------------------------|---|
| Fully Paid-up Equity Shares | | | |
| 1. | June 18, 2021, August 03, 2021 and September 24, 2021 | 87,834 | Employee Stock Options Purchases |
| 2. | September 24, 2021 | 116,103 | Conversion of Preference Shares into equity shares |
| 3. | September 29, 2021 | 16,846,803 | Bonus issue in the ratio of nine equity shares for every equity share |
| Pursuant to the shareholders' resolution dated September 29, 2021, each equity shares of the Company of the face value of ₹10 each was splitted into 10 Equity Shares of the face value of ₹1 each. Therefore, an aggregate of 18,718,670 equity shares of ₹10 each were splitted into 187,186,700 Equity Shares of ₹1 each. | | | |
| 4. | October 22, 2021, November 18, 2021, November 30, 2021, December 24, 2021 & January 10, 2022 | 9,000,400 | Employee Stock Options Purchases |
| 5. | December 08, 2021 | 20,914,500 | Preferential Allotment |
| 6. | January 13, 2022 | 425,004,500 | Conversion of Preference Shares into equity shares |
| Fully Paid-up Cumulative Compulsory Convertible Preference Shares (CCPS) | | | |
| 7. | May 31, 2021 | 563,349* | Preferential allotment |
| 8. | September 2, 2021 | 146,961* | Preferential allotment |

*All outstanding were converted into Equity Shares, pursuant to a Board resolution dated January 13, 2022.

Directors' Report (Contd.)

(c) Partly paid to fully paid shares:

During the period of our review, the Board of Directors in the Board Meeting held on August 31, 2021, called the final call money for full payment on the partly paid-up 38,701 equity shares of ₹10/- each and 46,441 Series G CCPS of ₹100/- each. The 46,441 Series G CCPS were converted into 116,103 Equity shares of ₹10/- each at a conversion ratio of 1:2.5 w.e.f. September 24, 2021.

(ii) Amendment in the Memorandum Of Association (MOA) & Articles of Association (AOA) of the Company:

(a) Amendment in the MOA of the Company:

During the period under review, the Members of the Company at their General Meeting as detailed thereunder had passed the following resolution for amendment in the Memorandum of Association ('MOA') of the Company:

| Sr. No. | Date of General Meeting | Nature of amendment made in the MOA of the Company |
|---------|-------------------------|---|
| 1. | August 5, 2021 | (i) Amended the incidental or ancillary object clause by adding sub clause (35) in clause 3(B) of the Memorandum of Association of the Company. (ii) Amended the Capital Clause of MOA in order to increase the Authorized share capital of the Company. |
| 2. | September 27, 2021 | Amended the Capital Clause of MOA in order to increase the Authorized share capital of the Company |
| 3. | September 29, 2021 | (i) Amended the Name Clause of MOA in order to convert the Company from Private Limited to Public Limited. (ii) Amended the Capital Clause of MOA in order to sub-divide/ reclassify the Authorized share capital of the Company.. |
| 4. | October 15, 2021 | Amended the Capital Clause of MOA in order to increase the Authorized share capital of the Company. |

(b) Amendment in the AOA of the Company:

During the period under review, the Members of the Company at their General Meeting as detailed thereunder had passed the following resolution for amendment in the Articles of Association ("AoA") of the Company :

| Sr. No. | Date of General Meeting | Nature of amendment made in the AOA of the Company |
|---------|-------------------------|---|
| 1. | June 02, 2021 | Amended and restated Articles of Association ("AoA") of the Company incorporating the terms and conditions of the Shareholders' Agreement dated May 20, 2021 ("SHA"). |
| 2. | September 04, 2021 | Amended and restated Articles of Association ("AoA") of the Company incorporating the provisions of the Shareholders' Agreement dated August 09, 2021 ("SHA"). |
| 3. | September 27, 2021 | Amended and restated Articles of Association ("AoA") for insertion of provision(s) for authorizing the Board of Directors of the Company to Issue Bonus Shares to the Shareholders of the Company. |
| 4. | September 29, 2021 | (i) Altered the Name Clause of Articles of Association ("AoA") in order to convert the Company from Private Limited to Public Limited. (ii) Adopted a new set of Articles of Association ("AoA") of the Company. |
| 5. | October 26, 2021 | Adopted a new set of Articles of Association ("AoA") of the Company. |
| 6. | December 14, 2021 | Amended and restated Articles of Association ("AoA") of the Company incorporating the rights available to the Investor under the Shareholders' Agreement ("SHA") and the Supplemental Agreement dated October 26, 2021. |

(iii) Acquisition of 100 % Equity Shares of Spoton Logistics Private Limited by the Company:

During the period under review, the company has acquired 100% Equity Shares of Spoton Logistics Private Limited by way of secondary purchase from existing shareholders of Spoton Logistics Private Limited for a consideration amounting to ₹15,216.02 million pursuant to Board Resolution passed by the Board of Directors in the Board Meeting held on August 03, 2021.

(iv) Conversion of Status of the Company from Private Limited to Public Limited:

During the period under review, the Company was converted from a Private Limited Company into a Public Limited Company pursuant to the approval of the conversion was done by passing of the resolution in the Annual General Meeting of the Company dated September 29, 2021. The Company has complied with all the rules and regulations contained under the Companies Act, 2013 and rules framed thereunder for the same.

(v) Raising of Capital through an Initial Public Offer:

During the period under review, pursuant to the approval of Shareholder in Extra-Ordinary General Meeting ("EGM") held on October 15, 2021, the Company has approved to raising of the Capital through an Initial Public Offer ("IPO") of amount up to ₹75,000 million by way of fresh issue and Offer for Sale.

Private Limited by way of Primary Capital infusion in Falcon Autotech Private Limited and secondary purchase from existing shareholders of Falcon Autotech Private Limited for a consideration amounting to ₹2,518.94 million pursuant to Board Resolution passed by the Board of Directors in the Board Meeting held on December 11, 2021.

(vi) Amendment to the Shareholders' Agreement and Waiver Letter to the Amendment to Shareholders' Agreement:

During the period under review, pursuant to the approval of Shareholder in Extra-Ordinary General Meeting ("EGM") held on October 15, 2021, the Company has amended the Shareholders' Agreement and waiver letter to the amendment to Shareholders' Agreement.

In relation to the aforesaid specific events/actions, the Company has, to the best of our knowledge and belief and based on the records, information, explanations, and representations furnished to us, complied with the applicable laws, rules, regulations, circulars, notification made thereunder.

For VAPN & Associates
Practicing Company Secretaries
ICSI Unique Code: P2015DE045500
Peer Review Certificate No.975/2020

Prabhakar Kumar
Partner
FCS No: 5781 |COP No: 10630
ICSI UDIN: F005781D000823257

Date: August 22, 2022
Place: New Delhi

(vii) Increased in Investment Limits for Non-Resident Indians and Overseas Citizens of India:

During the period under review, pursuant to the approval of Shareholder in Extra-Ordinary General Meeting ("EGM") held on October 15, 2021, the Company has increased in investment limits for non-resident Indians and overseas citizens of India from existing 10% to 24% of the paid-up equity share capital of the Company.

(viii) Acquisition of 34.55% equity share by the Company in Falcon Autotech Private Limited:

During the period under review, the Company had made the investment in the equity shares of Falcon Autotech

Note: This report is to be read with a letter of even date by the secretarial auditor, which is annexed as 'Annexure A' and forms an integral part of this report.

Directors' Report (Contd.)

Annexure-A

To,
The Members
Delhivery Limited
(formerly known as Delhivery Private Limited)
CIN: L63090DL2011PLC221234

Registered Office: N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037

Corporate Office: Plot No.-5 Sector-44 Gurugram, Haryana 122002

Our Secretarial Audit Report (Form MR-3) of even date for the period from April 01, 2021 to March 31, 2022, is to be read along with this letter.

1. The Company's management is responsible for the maintenance of secretarial records and compliance with the relevant provisions of corporate and other applicable laws, rules, regulations, guidelines, and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
4. While forming an opinion on compliance and issuing this report:
 - (a) We have considered compliance-related action taken by the Company for the period from April 01, 2021 to March 31, 2022.

- (b) We have considered compliance-related actions taken by the Company based on independent legal/professional opinion/certification obtained as complying with the law.
 - (c) We have taken an overall view, based on the compliance procedures and practices followed by the Company.
5. We have not verified the correctness and appropriateness of the financial statement (including attachments and annexures thereto), financial records, and books of accounts of the Company, as they are subject to audit by the Auditors of the Company, appointed under Section 139 of the Act.
 6. We have obtained and relied on the Management's representation about the compliance of laws, rules, and regulations and happening of events, wherever required.
 7. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **VAPN & Associates**
Practicing Company Secretaries
ICSI Unique Code: P2015DE045500
Peer Review Certificate No.975/2020

Prabhakar Kumar
Partner
FCS No: 5781 | COP No: 10630
ICSI UDIN: F005781D000823257

Date: August 22, 2022
Place: New Delhi

Annexure-4

Secretarial Audit Report of Material Unlisted Subsidiary Spoton Logistics Private Limited Secretarial Audit Report

For the Financial Year as on March 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members of Spoton Logistics Private Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Spoton Logistics Private Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Spoton Logistics Private Limited for the financial year ended March 31, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (The company has not done any overseas director investment and has not obtained external commercial borrowings)
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/ SEBI (Prohibition of Insider Trading) Regulations, 2015; Not applicable
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not applicable
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ SEBI (Share Based Employee Benefits) Regulations, 2014; Not applicable
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not applicable
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not applicable and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not applicable
- (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Not applicable
- (j) SEBI (Issue and Listing of Non- Convertible Securities) Regulations, 2021 – Not applicable

Directors' Report (Contd.)

I have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with Stock Exchange. Not applicable

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- Following forms are filed beyond original due dates:

| SI No. | SRN | Form No. | Description | Event date | Original due date | Filing date |
|--------|-----------|----------|--|------------|-------------------|-------------|
| 1 | T60533213 | DIR.12 | Appointment of Chief Financial Officer | 06.10.2021 | 06.11.2021 | 26.11.2021* |

*Note: This e-form was filed to rectify clerical error in the earlier e-form filed for the same event which was within due date

- Following are the on-going compounding / adjudication / appeal processes

| SI No. | Nature of proceeding | Particulars | Remarks |
|--------|----------------------|--|---|
| 1 | Compounding | The company has filed application for compounding of offence pertaining to non-appointment of Company Secretary for the period from 31.12.2011 to 02.11.2018 (vide SRN R52444312) | The compounding application is pending before Regional Director, Ahmedabad |
| 2 | Adjudication | The Registrar of Companies, Ahmedabad, has passed adjudication order (No : ROC-Guj/Adj.Order/Spoton/Sec.203/2022/6991 dated 31 st January, 2022) imposing penalty for non-appointment of Company Secretary for the period from 03.11.2018 to 02.05.2019 | The parties have appealed against the order of ROC vide SRN T81075186 dated 15.02.2022) and the appeal is pending before Regional Director, Ahmedabad |
| 3 | Compounding | The company has filed application for compounding of offence pertaining to late holding of AGM for the FY 2020-21 (vide SRN T34827956) | The compounding application is pending before Regional Director, Ahmedabad |

I further report that

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in certain cases where notices were issued with less than 7 days prior to meeting with consent of Directors. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- The company has altered objects clause of its Memorandum of Association on 04.08.2021.
- The company had 65% of stake in Spoton Supply Chain Solutions Private Limited in the previous financial year. During the year, the company has made further investment and consequently, Spoton Supply Chain Solutions Private Limited has become 100% subsidiary of the company.
- The following transfer of shares took place:

| Date of Transfer | Name of the transferor | Name of the transferee* | No. of Shares transferred |
|------------------|---|---------------------------|---------------------------|
| 24.08.2021 | Samara Alternate Investment Fund | Delhivery Private Limited | 82,02,207 |
| 24.08.2021 | Samara Capital Partners Fund II Limited | Delhivery Private Limited | 60,64,223 |
| 24.08.2021 | Virginia Tech Foundation, Inc | Delhivery Private Limited | 6,02,739 |
| 24.08.2021 | Xponentia Opportunities Fund- I | Delhivery Private Limited | 34,85,874 |
| 24.08.2021 | Xponentia Fund Partners LLP | Delhivery Private Limited | 14,70,515 |
| 21.09.2021 | Uday Sharma | Delhivery Private Limited | 1,07,669 |
| 01.10.2021 | Krishna Chandrashekar | Delhivery Private Limited | 96,199 |
| 01.10.2021 | Abhik Kumar Mitra | Delhivery Private Limited | 6,11,668 |
| | Total | | 2,06,41,094 |

* Currently Delhivery Limited.

- Consequent to the transaction as mentioned 3 above, the company became a wholly owned subsidiary of Delhivery Private Limited (currently Delhivery Limited)
- The Delhivery Private Limited changed its status from Private Limited to Public Limited with effect from 12th October 2021 and consequently, the company became a wholly owned subsidiary of Public company. All the compliances applicable to wholly owned subsidiary of public company like appointment of women director, independent director, secretarial auditor, KMP have been complied with the company.
- ESOP allotment has been made and the compliances in this regard are met. Therefore, the paid up capital of the company has increased to ₹20,64,10,940 /- divided into 2,06,41,094 equity shares of ₹10/- each.

The company has redeemed its non-convertible debentures out of the unsecured loan obtained by holding company. The compliances in this regard are met.

Madhwesh K

Practicing Company Secretary
Membership No. 21477
C.O.P. No. 10897
UDIN: A021477D000332997

Date : May 18, 2022

Place : Bengaluru

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure-A

To,

The **Members of Spoton Logistics Private Limited**

My report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.

Madhwesh K

Practicing Company Secretary
Membership No. 21477
C.O.P. No. 10897

Date: May 18, 2022

Place: Bengaluru

- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Directors' Report (Contd.)

Annexure-5

Annual Report on CSR Activities to be Included in the Board's Report for the Financial Year ending on March 31, 2022

Introduction

CSR is not charity or mere donations but a process by which an organization evolves its relationships with stakeholders to demonstrate its commitment towards social good and adopt appropriate business processes and strategies. Socially responsible companies do not limit themselves to using resources to engage in activities that increase only their profits but use CSR to integrate economic, environmental and social objectives with the company's operations and growth.

In light of the above Guiding Principle, the Company undertook the CSR activities on voluntarily basis as part of its CSR activities during FY22 though the Company was not mandatorily required to spend any amount on CSR activities during FY22 in view of absence of profits during three immediately preceding financial years.

1. Brief outline on CSR Policy of the Company.

Your Company believes in contributing to a sustainable community development and facilitating its efforts towards creating shared value. The CSR Policy of your Company during the year had focused on promoting sports / training thereof, disaster management including Covid response, relief, rehabilitation & health, safety and skill upgradation training for contract/ offroll employees/partners of Delhivery.

Your Company looks forward to undertaking additional CSR activities relating to highway accident prevention through better signage, re-design of intersections, upskilling, employment generation for women and any other CSR activities as may be considered appropriate from time to time.

2. Composition of CSR Committee*:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|--|---|--|--|
| 1. | Ms. Kalpana Jaisingh Morparia | Non-Executive Independent Director (Chairperson of the CSR Committee) | 2 | 2 |
| 2. | Mr. Sahil Barua | Managing Director and Chief Executive Officer | 2 | 2 |
| 3. | Mr. Sandeep Kumar Barasia | Executive Director and Chief Business Officer | 2 | 2 |
| 4. | Ms. Hanne Birgitte Breinbjerg Sorensen** | Non-Executive Director | Nil | Nil |

* The Board in its meeting held on October 13, 2021 has re-constituted the CSR Committee and Ms. Kalpana Jaisingh Morparia was appointed as Chairperson of the CSR Committee.

** Ms. Hanne Birgitte Breinbjerg Sorensen has resigned from Directorship and ceased as member of the CSR Committee w.e.f. October 01, 2021.

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company are provided below:

The composition of the CSR Committee: <https://www.delhivery.com/investor-relations/>

CSR Policy:

https://www.delhivery.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy_final.pdf

CSR Projects as approved by the Board:

https://www.delhivery.com/wp-content/uploads/2022/02/CSR_Plan_21-22_v1.pdf

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any – Not Applicable

6. Average net profit of the company as per section 135(5):

The Company did not have profits during the three immediately preceding financial years.

7. (a) Two percent of average net profit of the company as per section 135(5): Not Applicable

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - Not Applicable

(c) Amount required to be set off for the financial year, if any - Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c) - Not Applicable

The Company has voluntarily decided to incur expenditure on CSR projects.

8. (a) CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year. (in ₹) | Amount Unspent (in ₹) | | | | |
|---|--|-------------------|--|---------|-------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6). | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount. | Date of transfer. | Name of the Fund | Amount. | Date of transfer. |
| 5,604,149 | Nil | N.A. | N.A. | Nil | N.A. |

(b) Details of CSR amount spent against ongoing projects for the financial year:

Not applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | |
|--------------|--|--|----------------------|--|--------------------------------------|---|--|--------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act. | Local area (Yes/No). | Location of the project. State. District. | Amount spent for the project (in ₹). | Mode of implementation - Direct (Yes/No). | Mode of implementation - Through implementing agency. | CSR registration number. |
| 1. | Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports | VII | Yes | Indian Government and various Sports Federations | 5,000,000 | Yes | Contribution to Foundation for Promotion of Sports and Games, a company incorporated under Section 25 of the Companies Act, 1956, registered as an entity for undertaking CSR Activities bearing registration number CSR00001100 known as Olympic Gold Quest (OGQ) | N.A |
| 2. | Disaster management, including relief, rehabilitation and reconstruction activities | XII | No | Bihar & Assam | 604,419 | Yes | | N.A |
| Total | | | | | 5,604,419 | | | |

(d) Amount spent in Administrative Overheads – Not Applicable

(e) Amount spent on Impact Assessment, if applicable: Not applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹5,604,419.00*

Directors' Report (Contd.)

(g) Excess amount for set off, if any

| Sl. No. | Particular | Amount (in ₹) |
|---------|---|----------------|
| (i) | Two percent of average net profit of the company as per section 135(5) | Nil |
| (ii) | Total amount spent for the Financial Year | ₹5,604,419.00* |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | ₹5,604,419.00* |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | ₹5,604,419.00* |

* on voluntarily basis

9. (a) Details of Unspent CSR amount for the preceding three financial years: - Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): - Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

For Delhivery Limited
(formerly known as Delhivery Private Limited)

Kalpna Jaisingh Morparia
Chairperson – CSR Committee
Non – Executive Independent Director
DIN: 00046081

Sahil Barua
Member – CSR Committee
Managing Director and Chief Executive Officer
DIN: 05131571

Place: Gurugram
Date: August 22, 2022

Annexure-6

Particulars of Remuneration

Part A: Information pursuant to Section 197(12) of the Companies Act, 2013 [Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. The ratio of the remuneration of each Director to the median remuneration of all the employees of your Company for the FY22:

| Sl. | Name of Director & Designation | Ratio to the Median |
|-----|--|---------------------|
| 1 | Mr. Deepak Kapoor Chairman and Non-Executive Independent Director | 25.71 |
| 2 | Mr. Srivatsan Rajan Non-Executive Independent Director | 23.87 |
| 3 | Mr. Romesh Sobti Non-Executive Independent Director | 11.94(a) |
| 4 | Mr. Saugata Gupta Non-Executive Independent Director | 11.94(a) |
| 5 | Ms. Kalpana Jaisingh Morparia Non-Executive Independent Director | 11.17(a) |
| 6 | Mr. Sahil Barua Managing Director and Chief Executive Officer | 118.36(b) |
| 7 | Mr. Sandeep Kumar Barasia Executive Director and Chief Business Officer | 164.30(b) |
| 8 | Mr. Kapil Bharati Executive Director and Chief Technology Officer | 98.05(b) |
| 9 | Ms. Anjali Bansal Non-Executive Director | 11.08(a) |
| 10 | Ms. Hanne Birgitte Breinbjerg Sorensen Non-Executive Director | 13.50(a) |
| 11 | Mr. Suvir Suren Sujan Non-Executive Nominee Director | NA(c) |
| 12 | Mr. Agus Tandiono Non-Executive Nominee Director | NA(c) |
| 13 | Mr. Munish Ravinder Varma Non-Executive Nominee Director | NA(c) |
| 14 | Mr. Deep Verma Non-Executive Nominee Director | NA(c) |
| 15 | Mr. Jiang Bo Non-Executive Nominee Director | NA(c) |
| 16 | Mr. Neeraj Bharadwaj Non-Executive Nominee Director | NA(c) |
| 17 | Mr. Gautam Sinha Non-Executive Nominee Director | NA(c) |
| 18 | Mr. Sumer Juneja Non-Executive Nominee Director | NA(c) |
| 19 | Mr. Donald Francis Colleran Non-Executive Nominee Director | NA(c) |

Notes:

- The concerned director was on the Board for a part of FY22, so the ratio to the median is not comparable and is given only for the remuneration received for the period of his/her directorship.
- Ratio to the median remuneration (excluding one time performance incentive and perquisite value on exercise of Options under ESOP Plans as mentioned in the Corporate Governance Report).
- No remuneration was paid to the Director during the FY22.

Directors' Report (Contd.)

2. Percentage increase in remuneration of Managing Director and Chief Executive Officer, each Director, Chief Financial Officer and Company Secretary:

| Sl. | Name | % increase in remuneration in the FY22 (as compared to FY21) |
|-----|--|---|
| 1 | Mr. Deepak Kapoor Chairman and Non-Executive Independent Director | 7.69 |
| 2 | Mr. Srivatsan Rajan Non-Executive Independent Director | Nil |
| 3 | Mr. Romesh Sobti Non-Executive Independent Director | NC(a) |
| 4 | Mr. Saugata Gupta Non-Executive Independent Director | NC(a) |
| 5 | Ms. Kalpana Jaisingh Morparia Non-Executive Independent Director | NC(a) |
| 6 | Mr. Sahil Barua Managing Director and Chief Executive Officer | 28.34(b) |
| 7 | Mr. Sandeep Kumar Barasia Executive Director and Chief Business Officer | 33.59(b) |
| 8 | Mr. Kapil Bharati Executive Director and Chief Technology Officer | 26.54(b) |
| 9 | Ms. Anjali Bansal Non-Executive Director | NC(a) |
| 10 | Ms. Hanne Birgitte Breinbjerg Sorensen Non-Executive Director | NC(a) |
| 11 | Mr. Suvir Suren Sujan Non-Executive Nominee Director | NA(c) |
| 12 | Mr. Agus Tandiono Non-Executive Nominee Director | NA(c) |
| 13 | Mr. Munish Ravinder Varma Non-Executive Nominee Director | NA(c) |
| 14 | Mr. Deep Verma Non-Executive Nominee Director | NA(c) |
| 15 | Mr. Jiang Bo Non-Executive Nominee Director | NA(c) |
| 16 | Mr. Neeraj Bharadwaj Non-Executive Nominee Director | NA(c) |
| 17 | Mr. Gautam Sinha Non-Executive Nominee Director | NA(c) |
| 18 | Mr. Sumer Juneja Non-Executive Nominee Director | NA(c) |
| 19 | Mr. Donald Francis Colleran Non-Executive Nominee Director | NA(c) |
| 20 | Mr. Amit Agarwal Chief Financial Officer (CFO) | 40.10(b) |
| 21 | Mr. Sunil Kumar Bansal Company Secretary (CS) and VP Corporate Affairs (from September 17, 2021 till March 31, 2022) | NC(a) |
| 22 | Mr. Vivek Kumar former Company Secretary (CS) (from June 19, 2021 till September 17, 2021) | NC(a) |
| 23 | Ms. Kriti Gupta former Company Secretary (CS) (from April 1, 2021 upto June 18, 2021) | NC(a) |

Notes:

- NC = Not comparable as the concerned Director, CFO and CS was appointed during the FY22 or ceased to be a Director during FY22,
- Percentage increase in remuneration (excluding one-time performance incentive and perquisite value on exercise of Options under ESOP Plans).
- No remuneration was paid to the Director during FY22 & FY21.

- The percentage increase in the Median Remuneration of Employees ("MRE") in the FY22 was 9.40%
(MRE has been calculated as Median remuneration of full-time employees of your Company who were active for the full FY22)
- The Number of permanent employees on the rolls of your Company was 17,256 as on March 31, 2022.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Increase in the average salaries of employees other than managerial personnel in the FY22 was 15.10% (excluding perquisite value on exercise of Options under ESOP Plans and one-time performance incentive)

Justification:

Higher percentage increase in managerial remuneration is on account of their roles and responsibilities in managing the affairs of the Company and their individual performance, achievement of milestones and market competitiveness. There were no other exceptional circumstances for higher percentage increase in the managerial remuneration.

- Your Directors affirm, to the best of their knowledge and belief, that the remuneration is as per the remuneration policy of your Company.

For and on behalf of the Board of Directors

For **Delhivery Limited**
(formerly known as Delhivery Private Limited)

Sahil Barua

Managing Director and Chief Executive Officer
DIN: 05131571

Date: August 22, 2022
Place: Gurugram

Deepak Kapoor

Chairman and Non-Executive Independent Director
DIN: 00162957

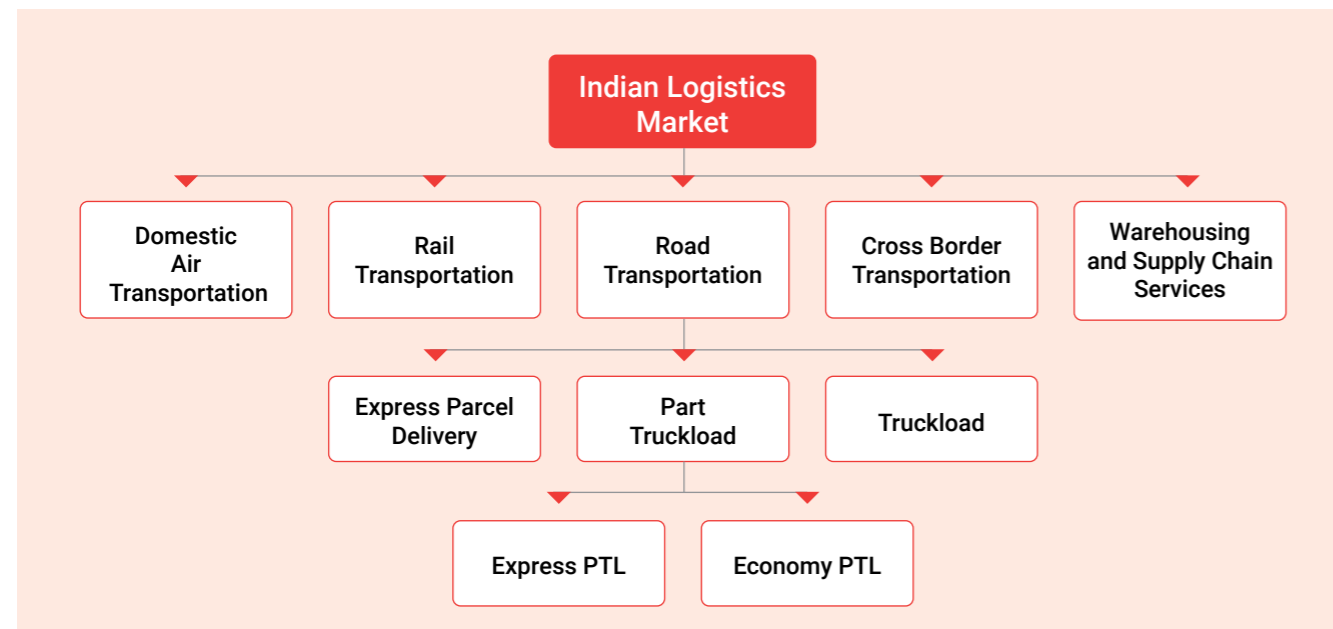
Management Discussion and Analysis

Industry overview and outlook

India is one of the largest and fastest growing economies in the world with a GDP of ~US\$3.1 trillion in 2021 and an annualised GDP growth rate of >7% between 2015 and 2019. Despite Covid-19 impacting economic activity in 2020 and 2021 due to lockdowns and other factors such as supply-chain disruptions, volatile oil and commodity prices and high inflation, the Indian economy has been the best performing economy among the large economies of the world. Between 2020-2025 real GDP is expected to grow at ~9% annually, making India a US\$4.2 trillion economy by 2025.

As per a Red Seer the Indian logistics industry is one of the largest in the world. Total logistics spending in India was estimated to be ~US\$380 billion in FY21, of which ~US\$180 billion formed direct logistics spending. The direct logistics industry primarily consists of transportation and warehousing, of which transportation accounts for 64% of spending. The market is highly fragmented and unorganised, with organised players accounting for only <5% of total direct logistics spending. However, organised players are expected to gain share rapidly with a CAGR of 35%, taking their share to 12.5-15% by FY26. This shift is expected to be driven by greater demand for integrated services, network and scale-driven efficiencies, larger investments in technology and engineering and government reform. Indirect spending of US\$200 billion in FY21 is expected to reduce to ~US\$166 billion by FY26, driven by organised players as deadweight losses such as pilferage and damages and losses due to inefficient, sub-scale operations reduce.

Industry structure, opportunities and growth drivers



Note: Market structure excludes freight transport through ship, Inland Water Transport (IWT) and pipeline

Domestic road transportation: Domestic road transportation represents the movement of freight over the national and state highway road network and in-city delivery within India. Improving reliability and reducing turnaround times due to improvement in road infrastructure, relatively low cost of operation and increase in load-carrying capacity of trucks have led to road transportation having a higher share of freight traffic in comparison to other modes. Domestic road transportation market consists of three segments:

- Express Parcel:** Mainly composed of e-Commerce shipments, speed post and document courier with individual parcel weight of less than 40 kilograms and turnaround time of less than 3 days
- PTL (Part Truckload):** Domestic road transportation service with total shipment weight of 40-1,000 kilograms, which is insufficient to fill a full truck.

Volume from multiple shippers is therefore clubbed together at consolidation centres into full truckload prior to movement. PTL services can be further segmented into Express PTL, with turnaround times similar to Express Parcel and Economy PTL, with slower turnaround requirements.

- TL (Truckload):** Domestic road transportation service where the shipper requires a dedicated truck or trailer, typically moving directly from point of departure/origin to the point of destination.

Domestic rail transportation: Domestic rail transportation includes movement of shipments over public and private rail networks. Rail is one of the most cost-effective modes of bulk freight transportation for shipments like commodities (e.g., coal, iron ore, cement), agri products (e.g., fertilisers, food grains, mineral oil) and raw materials.

Domestic air express transportation: Domestic air express transportation includes movement of shipments using dedicated cargo aircraft or belly capacity on passenger flights. This is a significantly more expensive means of transportation used mainly for applications such as delivery of critical medical supplies like vaccines, time-sensitive products such as certain critical spare parts or for critical documents such as passports, banking documents, etc.

Cross-Border transportation: Cross-border transportation includes movement of shipments into and out of India either as individual parcels (courier) or freight. This may be carried either via air or via sea. Further, sea-freight movement is containerised and may be either LCL (less than container) or FCL (full container) in nature.

Supply Chain Services: Supply-chain represents integrated services (including two or more of warehousing, transportation and other value-added services such as packaging, kitting, labelling or technology services such as warehouse management and inventory management systems etc.). This is a more evolved and sophisticated form of logistics service provided by specialised third-party providers and typically focused on specific industry verticals and large enterprise customers with complex supply chain requirements.

The logistics market offers multiple opportunities for growth to industry players owing to several structural changes and developments in the economy:

- Rising consumer incomes and changing preferences:** India's per capita GDP reached US\$2,000 in 2021 as per World Bank. As per Redseer, the middle-income segment with an annual income range of US\$7,500-US\$15,000 is projected to expand from ~27% in 2020 to ~40% of the population by 2025. In addition, over 50% of the population is currently under 30 years of age and digitally native, resulting in rapid growth in purchases of products and services online.
- New B2C commerce models:** In addition to e-commerce marketplaces, new models like social commerce, omni-channel commerce and D2C commerce continue to disrupt traditional retail models. Category expansion is also expected to drive growth with segments like consumer durables/white goods, home and furniture rapidly transitioning online. Overall, these structural changes in the consumption economy are expected
- Open Network for Digital Commerce (ONDC):** ONDC aims to increase participation of SMEs and smaller retailers/kirana stores in the e-Commerce ecosystem. Sellers will be able to directly integrate with national scale logistics players via the ONDC platform, thereby driving up demand for their services.
- Technology-led transformation:** Availability of new technology and business intelligence tools are enabling organised logistics companies to solve various problems such as truck utilisation, route consolidation, demand forecasting, facility and infrastructure placement, inventory management and fraud detection. In addition, hardware investments in automated parcel sortation systems, material conveyance systems, AGV/AMR systems, ASRS etc. along with wider penetration of warehouse management systems are improving operational throughput and precision, thereby lowering human errors and operating costs.

Financial Performance

Analysis of our financial performance for the current and previous financial year is provided below:

| | March 31, 2022 | March 31, 2021 |
|---|------------------|------------------|
| | ₹ Mn | |
| Revenue from contracts with customers | 68,822.86 | 36,465.27 |
| Other income | 1,561.41 | 1,917.64 |
| Total income | 70,384.27 | 38,382.91 |
| Freight, Handling and Servicing Costs | 49,801.80 | 27,780.82 |
| Purchase of and change in inventory of traded goods | 1,721.47 | 102.08 |
| Employee benefits expense | 13,132.65 | 6,109.23 |
| Other expenses | 5,889.23 | 3,610.49 |

Management Discussion and Analysis (Contd.)

| | ₹ Mn | |
|---|--------------------|-------------------|
| | March 31, 2022 | March 31, 2021 |
| Depreciation and amortisation expense | 6,107.47 | 3,546.20 |
| Finance costs | 995.29 | 886.27 |
| Fair value loss on financial liabilities at fair value through profit or loss | 2,997.39 | 91.95 |
| Exceptional items | - | 413.30 |
| Share of loss of associates (net) | 32.27 | - |
| Loss before tax | (10,293.30) | (4,157.43) |
| Tax expense | (183.30) | - |
| Loss for the year | (10,110.00) | (4,157.43) |
| Adjusted cash profit after tax¹ | 1,956.02 | (818.40) |
| Adjusted EBITDA² | 464.30 | (2,532.82) |

1 Refer to Adjusted cash profit after tax section below for details

2 Refer to Adjusted EBITDA section below for details

Revenue by service line

We provide a full-range of logistics services including Express Parcel delivery, PTL (Part Truckload) freight, TL (Truckload) freight, Supply Chain Services and Cross-Border express and freight services. Our service lines are reported as one combined segment - "Logistics Services" as per Ind AS 108.

| | ₹ Mn | | | |
|--------------------------------------|------------------|----------------|------------------|----------------|
| | March 31, 2022 | % share | March 31, 2021 | % share |
| Revenue from Express Parcel services | 41,910.56 | 60.90% | 25,505.15 | 69.94% |
| Revenue from Part Truckload services | 13,459.50 | 19.56% | 3,841.61 | 10.53% |
| Revenue from Truckload services | 2,873.50 | 4.18% | 2,141.29 | 5.87% |
| Revenue from Supply Chain services | 5,509.93 | 8.01% | 3,900.58 | 10.70% |
| Revenue from Cross-Border services | 3,182.68 | 4.62% | 963.63 | 2.64% |
| Revenue from sale of traded goods | 1,876.63 | 2.73% | 110.89 | 0.30% |
| Others | 10.06 | 0.01% | 2.12 | 0.01% |
| Total revenue from customers | 68,822.86 | 100.00% | 36,465.27 | 100.00% |

Performance highlights

- Total income increased by 83.37% to ₹70,384.27 million for FY22 from ₹38,382.91 million for FY21. Revenue from customers increased by 88.74% to ₹68,822.86 million for FY22 from ₹36,465.27 million for FY21. FY21 operating volumes and financial performance were impacted due to the government-mandated nation-wide lockdown and restrictions on inter-state movement in response to the COVID-19 pandemic. During FY22, while the second wave of the COVID-19 pandemic continued to cause restrictions on mobility, we were able to continue our operations with fewer disruptions to business volumes.
- Revenue from Express Parcel services increased by 64.32% to ₹41,910.56 million for FY22 from ₹25,505.15 million for FY21. Express Parcel shipment volume increased by 101.34% to 582.2 million parcels for FY22 from 289.2 million parcels for FY21.
- Revenue from Part Truckload services increased by 250.36% to ₹13,459.50 million for FY22 from ₹3,841.61 million for FY21. Freight volume increased by 322.38% to 1,579,096 tonnes for FY22 from 373,854 tonnes for FY21. We acquired Spoton, a leading Part Truckload Services provider in India, during FY22 and the financials of Spoton were consolidated with ours beginning on August 24, 2021.
- Revenue from Truckload services increased by 34.20% to ₹2,873.50 million for FY22 from ₹2,141.29 million for FY21.
- Revenue from Supply Chain services increased by 41.26% to ₹5,509.93 million for FY22 from ₹3,900.58 million for FY21.
- Revenue from Cross-Border services increased by 230.28% to ₹3,182.68 million for FY22 from ₹963.63 million for FY21.
- Adjusted EBITDA margin increased to 0.67% for FY22 from -6.95% for FY21, driven by higher productivity, capacity utilisation and operating leverage in our business.
- Loss for the year increased to ₹10,110.00 million for FY22 from ₹4,157.43 million for FY21. We had an adjusted cash profit after tax of ₹1,956.02 million for FY22.

Operating costs

We continue to achieve cost efficiency in our operations through process improvements, increasing scale and continued integration of our various logistics service offerings. Key components of our operating costs include:

Freight, Handling and Service costs

Our Freight, Handling and Servicing costs increased by 79.27% to ₹49,801.80 million for FY22 from ₹27,780.82

million for FY21 due to an increase in operating volumes. Despite the increase in cost, our freight, handling and servicing cost decreased as a percentage of revenue from customers to 72.36% for FY22 from 76.18% for FY21 due to inherent operating leverage as well as continuous cost optimisation measures.

Employee benefits expense

Our employee benefit expense increased by 114.96% to ₹13,132.65 million for FY22 from ₹6,109.23 million for FY21. This was on account of an increase in employee headcount, increments paid to existing employees, increase in share-based payment expense as well as on account of one-time payments made to certain eligible employees during FY22. Our employee benefits expense, excluding share-based payment expense and one-time payment, decreased as a percentage of revenue from customers to 12.01% for FY22 from 14.77% for FY21.

Other expenses

Other expenses include expenses such as allowances for doubtful debts, travelling and conveyance, cash management service charges, software and technology expenses, repairs and maintenance etc. Other expenses increased by 63.11% to ₹5,889.23 million for FY22 from ₹3,610.49 million for FY21 due to an increase in our operating volumes. Other expenses decreased as a percentage of revenue from customers to 8.56% for FY22 from 9.90% for FY21.

Other costs

Fair value loss on financial liabilities at fair value through profit or loss

We had a non-cash fair value loss on financial liabilities at fair value through profit or loss of ₹2,997.39 million for FY22, primarily due to an increase in fair market value of CCPS as

per the terms of these CCPS in accordance with Ind AS 109 accounting standards. This did not affect our cash flows. All CCCPS have been converted to equity shares during FY22.

Depreciation and amortisation

Our depreciation and amortisation expense increased by 72.23% to ₹6,107.47 million for FY22 from ₹3,546.20 million for FY21, primarily due to increase in tangible and intangible assets and an increase in depreciation of right-of-use assets on account of growth in our operating volumes and because of the acquisition of Spoton during FY22.

Finance cost

Our finance cost increased by 12.30% to ₹995.29 million for FY22 from ₹886.27 million for FY21, primarily due to increase in bank borrowings and increase in interest on lease liabilities during FY22.

Adjusted EBITDA

In evaluating our business, we consider and use Adjusted EBITDA, a non-GAAP measure, that eliminates expenses that are non-cash, non-recurring or non-operating in nature and thus acts as a measure of recurring operating profitability of our business. We believe Adjusted EBITDA helps us identify underlying trends in our business economics and facilitates evaluation of operating performance over multiple periods. We also believe that this provides useful information about our operating results, enhances the overall understanding of our past performance and future prospects, and allows for greater transparency with respect to key metrics we use for financial and operational decision-making.

The below table provides a reconciliation from our Total Revenue from contracts with customers to Adjusted EBITDA:

| | ₹ Mn | | |
|---|----------------|-------------------|--|
| | March 31, 2022 | March 31, 2021 | Remarks |
| Total revenue from contracts with customers | 68,822.86 | 36,465.27 | |
| Less: Total expense | 80,645.30 | 42,127.04 | |
| Add: Finance cost on borrowings | 252.69 | 203.22 | |
| Lease Adjustments due to Ind AS 116 | 398.17 | 466.77 | |
| Add: Depreciation on right of use asset | 2,337.20 | 1,902.32 | Leased properties accounted as Right of Use (ROU) assets under Ind AS 116. Rent paid on such leased properties recognised in the P&L partly as depreciation on the ROU asset |
| Add: Interest on lease liabilities | 742.60 | 683.05 | Rent obligation on leased properties accounted as lease liabilities under Ind AS 116. Rent paid on such leased properties recognised in the P&L partly as interest on such lease liabilities |
| Less: Actual lease rent paid | 2,681.63 | 2,118.60 | Actual cash rent paid on leased properties recognised under Ind AS 116 |
| Add: Non-cash recurring costs | 6,854.48 | 2,367.01 | |
| Depreciation and amortisation | 3,770.27 | 1,643.89 | Depreciation on tangible and intangible assets |
| ESOP expense | 3,084.21 | 723.12 | Accounting expenses towards ESOPs already granted |
| Add: Non-cash discontinued cost | 2,997.39 | 91.95 | Non-cash expense due to fair value adjustment of CCPS |
| Add: One-time discontinued cost | 1,784.00 | - | One-time discontinued expense on account of certain employee payments |
| Adjusted EBITDA | 464.30 | (2,532.82) | |
| Adjusted EBITDA margin | 0.67% | (6.95)% | |

Management Discussion and Analysis (Contd.)

Our Adjusted EBITDA has improved significantly to ₹464.30 million for FY22 from -₹2,532.82 million for FY21, underlining the proven profitability and significant operating leverage in our business.

Adjusted cash profit after tax

In evaluating our business, we consider and use Adjusted cash profit after tax, a non-GAAP measure, that eliminates expenses that are non-cash and non-recurring in nature and thus acts as a measure of recurring cash profitability of our business. We believe adjusted cash profit after tax helps us identify underlying trends in our business and facilitate evaluation of recurring cash profitability of our Company over multiple periods. We also believe that this provides useful information about our results, enhances the overall understanding of our past performance and future prospects, and allows for greater transparency with respect to key metrics we use for financial and operational decision-making.

The below table provides a reconciliation of adjusted cash profit after tax to adjusted EBITDA.

| | March 31, 2022 | March 31, 2021 |
|---------------------------------------|----------------|----------------|
| Adjusted EBITDA | 464.30 | (2,532.82) |
| Add: Other income | 1,561.11 | 1,917.64 |
| Less: Finance cost ¹ | 252.69 | 203.22 |
| Less: Tax expense | (183.30) | - |
| Adjusted cash profit after tax | 1,956.02 | (818.40) |
| Adjusted cash profit after tax margin | 2.78% | (2.13)% |

Note: Excluding share of loss of associate

¹ Includes interest on bank borrowings and bank charges. Excludes interest on lease liabilities which result from IndAs 116. Impact of IndAs 116 already applied for in calculation of adjusted EBITDA

Our adjusted cash profit after tax has improved significantly to ₹1,956.02 million for FY22 from -₹818.40 million for FY21, underlining the proven profitability in our business.

Key financial ratios

Key financial ratios for the current and previous financial year are provided below:

| | March 31, 2022 | March 31, 2021 | Remarks |
|---------------------------------------|----------------|----------------|--|
| Adjusted EBITDA margin | 0.67% | (6.95)% | Adjusted EBITDA margin is a measure of a company's operating profit, excluding any non-cash or non-recurring operating costs, as a percentage of its revenue. Our adjusted EBITDA margin improved by 762 basis points from FY21 to FY22 and we achieved adjusted EBITDA profitability in FY22 due to significant growth in the operating scale of our business. Please Refer to the Adjusted EBITDA section above for details. |
| Profit after tax margin | (14.36)% | (10.83)% | Profit after tax margin is a measure of a company's net profit as a percentage of its total income. Our profit after tax margin reduced by 353 basis points in FY22 primarily on account of (i) increase in certain non-cash, non-recurring costs such as fair value loss on financial liabilities through profit or loss, (ii) increase in non-cash share based payment expense and (iii) one-time payment to employees |
| Adjusted cash profit after tax margin | 2.78% | (2.13)% | Adjusted cash profit after tax margin is a measure of a company's net profit, adjusted for any non-cash or non-recurring costs, as a percentage of its total income. Our adjusted cash profit after tax margin improved by 491 basis points and we achieved Adjusted cash profit after tax profitability in FY22 due to significant growth in the operating scale of our business. Please Refer to Adjusted cash profit after tax section above for details. |
| Debt-Equity ratio | 0.06 | 0.11 | Debt-Equity ratio is a measure of a company's financial leverage, calculated as division of total borrowings by its total shareholders' equity. Our debt-equity ratio improved in FY22 on account of increase in equity share capital base of our Company on account of primary capital raised during FY22. |
| Receivable turnover | 8.69 | 6.10 | Receivables turnover is a measure of a company's effectiveness in collecting receivables from its customers and is calculated by dividing total revenue by average trade receivables. The receivables turnover ratio improved during FY22 due to further improvement in billing and collection processes. |
| Current ratio | 2.64 | 2.97 | Current ratio is a measure of a company's ability to meet its short-term obligations and is calculated by dividing current assets by current liabilities. Our current ratio changed during FY22 due to a 57.49% increase in current liabilities on account of increase in trade payables and increase in other current liabilities, partially offset by a 39.90% increase in current assets on account of increase in trade receivables, unbilled receivables, cash & equivalents and other current assets. |
| Return on Networth | (22.99)% | (13.84)% | Return on Networth is a measure of a company's profitability and is calculated by dividing the profit after tax of the company by average shareholders' equity. The change in return on networth from FY21 to FY22 was primarily because our loss after tax increased in FY22 to ₹10,110.00 million from ₹4,157.43 million in FY21 on account of (i) increase in certain non-cash, non-recurring costs such as fair value loss on financial liabilities through profit or loss, (ii) increase in non-cash share-based payment expense and (iii) one-time payment to employees. |

Capital expenditure

We operate an asset-light business model wherein we extend our logistics services by enabling network partners such as franchisees, retail partners and delivery agents to provide us access to their physical assets and resources such as infrastructure and fleet and modern fleet. Therefore, we do not incur any capital expenditure towards ownership of real estate and own only a small portion of the fleet that is deployed in our network. Our capital expenditure is focused towards investing in fit-out infrastructure, state-of-the-art automation and IT assets and modern fleet. Automation includes parcel sorter systems, bag sortation systems and conveyance systems and future ready technologies such as automatic guided vehicles, automatic storage and retrieval systems and unmanned aerial vehicles. Such investments enable us to achieve further speed, efficiency and precision in our operations.

During FY22, we capitalised ₹5,839.75 million of property, plant and equipment and intangible assets, excluding additions through acquisition and excluding any disposals. Capital work in progress was ₹584.08 million as at end of FY22.

Some of the major capital expenditure projects we undertook during FY22 include:

- Commissioned box sorters at Bhiwandi and Bengaluru gateways and commenced installation of box sorter at Tauru gateway to automate freight handling in our operations.
- Commissioned cross-belt sorters at Bengaluru and Kolkata hubs and also added arm sorters as well as small shipment sorters at some of the small and medium sized hubs to further boost our shipment sorting capacity.
- Commissioned multiple pallet racking and multi-tier shelving systems at some of our FCs to increase inventory storage capacity.

The capital expenditure for fleet was funded primarily from borrowings from financial institutions. The remaining capital expenditure was funded through internal accruals and available cash.

Inorganic investments

We undertake selective investments, acquisitions and other strategic initiatives within and outside India, which complement our product and service offerings, enable us to build new capabilities, strengthen or establish our presence in our target markets, or enable us to gain access to technology and skilled team.

During FY22, we undertook the following acquisitions and investments:

- We acquired Spoton Logistics Pvt. Ltd. to build further scale in our PTL freight services business. Spoton delivered 758,730 tonnes of freight in FY21. Post our acquisition of Spoton, our combined business is the third largest PTL freight player in India in terms of revenue as of FY21.

- We acquired Transition Robotics, Inc. to strengthen our capabilities in designing of UAVs.
- We acquired certain assets from FedEx Express Transportation and Supply Chain Services (India) Pvt. Ltd. to expand our cross-border express service in the North American and European markets.
- We acquired a significant minority stake in Falcon Autotech Pvt. Ltd. to strengthen our access to crucial automation technology.

Liquidity

We continue to remain extremely well capitalised, which we believe is a significant competitive advantage in a high-growth logistics market like India. A significant portion of our cash is invested in low-risk treasury investments such as fixed deposits, debt mutual funds, debentures and bonds. We had liquid assets worth ₹25,123.51 million as at end of FY22 which included cash and cash equivalents, bank balances, investments, margin money deposits and deposits with original maturity of >12 months. We will continue to deploy our cash for organic and inorganic growth of our business.

Borrowings

We have availed borrowings from financial institutions for purchase of vehicles, for our working capital requirements and for general corporate purposes. We had outstanding borrowings of ₹3,531.39 million as at the end of FY22. Our debt-equity ratio was 0.06 as at the end of FY22.

Growth opportunities

We are the largest and fastest growing fully integrated logistics services player in India by revenue as of FY22. In order to continue to further reinforce our leadership position and the growth momentum, we have identified following key areas of growth in the near and medium term:

Infrastructure and network

- Realise the network synergies in the integrated Delhivery and Spoton network.
- Expand our physical infrastructure by up to 4 million square feet, including a 35% expansion by area for our automated sort centres. We have already commissioned mega-gateways that will go live in Bhiwandi (Maharashtra), Bengaluru (Karnataka) and Hyderabad (Telangana).
- Expand our tractor trailer fleet by up to 150 vehicles to provide more cost-efficient transportation services to our clients.
- Expand our network of fulfilment centres and in-city micro-fulfilment centres to extend our "Fulfilled by Delhivery" and "Delhivery Flash" offerings to vertical e-commerce, D2C and brand clients.

Service offerings

- Expand our economy PTL and air freight services to strengthen our B2B offering.

Management Discussion and Analysis (Contd.)

- Derive strategic benefits from FedEx partnership by aggressively growing cross-border express services.
- Accelerate SCS business growth with focus on key verticals such as Auto, Industrials and Consumer.
- Enter select international markets such as Bangladesh through capital-efficient, partnership-driven models.
- Offer financial services in association with partners to various supply chain participants, by leveraging our data analytics capabilities.
- Deepen our relationship with D2C customers, a key client category, with the Delhivery D2C Academy.

Technology

- Deploy future-ready hardware solutions in our operations through introduction of new automation - AGVs/AMRs, ASRS systems, system-directed mid mile operations and testing UAV operations for specialised delivery use-cases.
- Transition more of our cargo and two-wheeler fleet to EVs by expanding usage of EVs in first mile and last mile operations and piloting LNG and EVs in middle mile operations.
- Drive more engagement through Unified Client Portal - a merchant panel for SMB customers, to access all Delhivery offerings at one place.
- Increase direct engagement with the end consumer through the recently launched Delhivery Direct (C2C) mobile app for individual customers.
- Externalise our logistics operating system as a SaaS offering for local logistics service providers in select international markets and as a PaaS offering for global third-party developers to build their own web or mobile based applications on top of it.

Inorganic initiatives

- Continue to look for high-quality acquisition and investment opportunities within and outside India that are complementary to our business or that enable us to build new capabilities for our customers, strengthen our presence in our target markets, enable us to gain access to software and hardware technology, expand our customer base or gain access to a skilled team.

Risks/threats to the industry and our business

The logistics industry, including Delhivery, faces numerous risks that can impact our business in various ways:

1. Political, macroeconomic and demographic changes could adversely affect economic conditions in India thus impacting the logistics industry. Since we derive a majority of our revenue from contracts with customers in India, such risks may impact our earnings.
2. Natural disasters, epidemics, pandemics, acts of war, geo-political tensions, terrorist attacks and other events could materially and adversely impact the industry and hence our business.

3. Any deficiency in India's road network and telecommunication, internet, air cargo and airport infrastructure could impact the functioning of our business operations and technology systems.
4. Changes in the taxation system in India could adversely impact our business, thus impacting our cash flows and financial condition.
5. Rising fuel prices and inflationary pressures on wages and assets can impact our cash flows and profitability.
6. Inability to attract and retain suitably qualified and skilled employees, labour unrest or union activities, increase in the costs of labour or failure to comply with applicable labour laws could negatively affect our operations and earnings.
7. Any disruption to our logistics and transportation facilities could have an impact on our business operations and hence our cash flows.
8. Reliance on partners and other third parties for certain aspects of our business such as first mile, mid mile, last mile services, contractual manpower, fleet etc. poses additional risks to our operations and financial condition.
9. As our proprietary technology infrastructure is critical to our operations, any disruptions to our technology infrastructure could impact our business operations.
10. Although we continue to diversify our customer base, e-commerce customers contribute a significant portion of our volume and revenue. Accordingly, our business growth is significantly correlated with the growth of e-commerce and more generally, commerce, in India.
11. Due to the nature of the industry, a significant portion of our business is driven by a few large customers across multiple services they obtain from us. Their future actions may have an adverse impact on our business.

Internal control systems

A robust framework of internal controls has been documented and implemented across our business processes to facilitate efficient business operations and achieve our compliance and reporting objectives. Our internal control systems are commensurate with the nature of our business and the size and complexity of our operations. The Audit Committee, composed of Independent and Non-Executive Directors, regularly reviews significant audit findings, adequacy of internal controls, audit plans, reasons for changes in accounting policies and practices, if any, and monitors the implementation of audit recommendations. Design and operating effectiveness of controls are tested by the management annually with the support of external consultants and later audited by the statutory auditors. Controls testing is carried out as per the Guidance Note on 'Audit of Internal Financial Controls over Financial Reporting' issued by the Institute of Chartered Accountants of India (ICAI). The Company's internal control system is further supplemented by an internal audit carried out by PricewaterhouseCoopers Services LLP, a third-party internal audit firm. Internal auditors ensure that preventive

and detective controls are embedded in all the business processes. Significant audit observations and follow-up actions thereon are reported to the Audit Committee.

Developments in human resources

Our continuous aim is to create work opportunities that attract the highest quality of talent and provide our employees with professional growth in a safe, inclusive and harassment-free environment. As of FY22 we have a total team size of 60,373 employees and 34,360 partner agents engaged with us in flexible work models. We created employment opportunities for 78,232 front-line operations staff in jobs that require no prior work experience or educational qualifications, thereby bringing them into the organised sector. We have also introduced policies to make experienced and high-performing front-line staff permanent employees of the Company and to extend greater benefits, financial security, training and growth opportunities to these team members.

During COVID-19 we undertook several steps to support our team members and their families. We implemented strict COVID protocols in line with WHO standards for all operating facilities, provided masks and sanitisers to employees, launched a 24/7 COVID helpdesk for employees and their families with on-demand teleconsultation through the empanelment of 3 full time doctors, established isolation centres in multiples cities for our employees and their families, and organised vaccination drives for all team members and partner agents.

In addition to statutory benefits, we extended additional benefits like term life coverage, insurance for accidental death or disability and other forms of financial support to all our blue-collar workers through our Employee Welfare Fund. Over the last year, the Company disbursed ₹61 million through its Employee Loan Assistance Policy and ₹18.1 million through the Employee Welfare Fund.

We continuously encourage our employees to attend regular and on-demand training sessions for their self-development. In FY22 a total of 38,000+ employees underwent training through Delhivery Academy's programs. Our performance and rewards philosophy is directly linked to organisational and individual performance and aimed at increasing the breadth and depth of employee ownership of the company. We have multiple Employee Stock Option Plans that foster ownership and create opportunities for wealth creation for talent across levels in the organisation. The number of employees owning the ESOPs increased significantly from 458 at the end of FY21 to 1,424 at the end of FY22.

Disclosure of accounting treatment

Except for the below stated accounting treatment in the consolidated financial statements which is based upon National Company Law Tribunal (NCLT) Order, the standalone and consolidated financial statements have been prepared, in accordance with Indian Accounting Standards (referred to as 'Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder as amended from time to time.

Accounting treatment following NCLT Order

Pursuant to scheme of Arrangement ("the Scheme") between Vankatesh Pharma Private Limited ('the transferor Company') and Spoton Logistics Private Limited ('the Transferee Company' which is a wholly owned subsidiary of Delhivery Limited) and their respective shareholders under section 230 to 232 read with Section 66 of the Companies Act, 2013 ("the Act") and the rules made thereunder, Spoton Logistics Private Limited had amalgamated with Venkatesh Pharma Private Limited under the scheme of arrangement approved by NCLT on November 27, 2019 under the provisions of the Companies Act, 2013. Accordingly, the Scheme was accounted for in accordance with erstwhile applicable Accounting Standard 14 "Accounting for Amalgamations". Goodwill arising from Business combination has been amortised over a period of five years in accordance with method as prescribed under NCLT scheme, which overrides the relevant requirements of Ind AS 103 'Business Combinations' and Ind AS 36 'Impairment of assets' (according to which acquired Goodwill is not permitted to be amortised and is required to be tested annually for impairment). The aforesaid treatment has been disclosed in the Note 36 (1) (d) to the audited consolidated financial results of the Company.

Cautionary statement

Statements in this "Management Discussion and Analysis" and this Annual Report describing the Company's vision, projections, estimates, expectations, plans or predictions or industry conditions or events may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. Several factors could make a significant difference to the Company's operations. These include economic conditions affecting demand and supply, government regulations and taxation, natural calamities, pandemics etc. over which the Company does not have any direct control.

Corporate Governance Report

The report on Corporate Governance is prepared pursuant to Regulation 34 read with Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Company's Philosophy on Corporate Governance

Your Company believes in transparency, professionalism and accountability as the guiding principles of Corporate Governance. Good Corporate Governance generates goodwill amongst all the stakeholders including business partners, customers, employees and investors. It also earns respect from society and brings consistent sustainable growth for your Company and its investors.

Your Company is focused to operate within the highest parameters of ethics and integrity. It constantly endeavours to adopt the best practices of Corporate Governance and improve on such aspects on an ongoing basis. In order to achieve this objective, your Company is driven by two guiding principles i.e. improving the effectiveness of the Board of Directors ("the Board") in strategic guidance to your Company and improving the quality of information & communication with its stakeholders.

The Corporate Governance norms are stipulated under the SEBI Listing Regulations. Your Company is in compliance with the applicable provisions of the said Regulations.

Governance Policies

Your Company strives to conduct its business and strengthen the governance and relationships in a manner that is dignified, distinctive and responsible. Your Company adheres to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Your Company has adopted and established Codes and Policies to carry out its functions in an ethical manner. Some of the Codes and Policies adopted by your Company are as under:

- Code of Conduct for Board of Directors, KMPs and Senior Management;
- Code of Conduct for Prohibition of Insider Trading and Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information;
- Policy on Materiality of Related Party Transactions;
- Policy on Corporate Social Responsibility;
- Policy for Determination of Material Subsidiaries;
- Policy for Determination of Materiality of Events or Information;
- Policy on Nomination, Remuneration & Evaluation (for Directors & KMP) which includes familiarisation and diversity;
- Policy on Vigil Mechanism/Whistle Blower;
- Policy on Preservation & Archival of Documents;
- Policy on Risk Management;

- Policy on Dividend Distribution; and
- Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace.

The above Code(s) and Policies are available on the website of your Company at <https://www.delhivery.com/investor-relations/> or on the intranet as per applicable provisions.

Code of Conduct

Your Company has adopted the Code of Conduct for Board of Directors, KMPs and Senior Management ("Code") as per the provisions of SEBI Listing Regulations. The same has been posted on the website of your Company at <https://www.delhivery.com/investor-relations/>. Your Company has received confirmations from all the Directors as well as Key Managerial Personnel and Senior Management Personnel regarding compliance of the Code during the year. A declaration to this effect signed by Mr. Sahil Barua, Managing Director and Chief Executive Officer, is attached to this report as **Annexure 1**.

Board of Directors

Your Company believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. Your Company is a professionally managed company and the functions of the Board are supported by the Managing Director and Chief Executive Officer, Executive Directors, Key Managerial Personnel and Senior Management Personnel for discharging its fiduciary duties. The Board provides strategic guidance & oversees how the Executive Management serves and protects the long-term interest of all the stakeholders of your Company.

The Board strives to achieve compliance with all relevant laws, regulations, governance practices and secretarial, accounting & auditing standards. It identifies key risk areas and key performance indicators of business of your Company and constantly monitors the same.

Size and Composition of the Board

The size and composition of the Board conforms to the requirements of Corporate Governance norms as stipulated under the provisions of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013 ("Act"). As on March 31, 2022, the Board comprised of 12 (twelve) members, consisting of 1 (one) Non-Executive and Independent Director and Chairman, 1 (one) Non-Executive Independent Woman Director, 3 (three) Non-Executive Independent Directors, 4 (four) Non-Executive Nominee Directors and 3 (three) Executive Directors. Your Company being a professionally managed company does not have an identifiable Promoter. The Board and all its Committees are headed by Independent Directors of the Board. The brief profile of the Directors is available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

Table A: Category of Directors number of other Directorships and Chairpersonships / Memberships of Committees and Shareholding of each Director in the Company as on March 31, 2022:

| Name of the Director & DIN | Designation & Category | No. of directorship in other Public Companies ¹ | | No. of Board Committee positions in other Public Companies ² | | Name of the other Listed Entities wherein directors of your Company are a Director and Category of such Directorship | Shareholding ¹⁷ in the Company as on March 31, 2022 |
|--|---|--|--------|---|--------|---|--|
| | | Chairperson | Member | Chairperson | Member | | |
| Non-Executive Independent Directors | | | | | | | |
| Mr. Deepak Kapoor (DIN: 00162957) ³ | Chairman and Non-Executive Independent Director | - | 3 | 1 | 4 | Tata Steel Limited (Non-Executive Independent Director) HCL Technologies Limited (Non-Executive Independent Director) Nayara Energy Limited (Debt Listed) (Non-Executive Independent Director) | 100,000 |
| Mr. Srivatsan Rajan (DIN: 00754512) ⁴ | Non-Executive Independent Director | - | - | - | - | - | 155,000 |
| Mr. Romesh Sobti (DIN: 00031034) ⁵ | Non-Executive Independent Director | - | 2 | 0 | 1 | Aditya Birla Capital Limited (Non-Executive - Nominee Director) Adani Green Energy Limited (Non-Executive Independent Director) | - |
| Mr. Saugata Gupta (DIN: 05251806) ⁵ | Non-Executive Independent Director | - | 2 | - | 2 | Marico Limited (Managing Director and Chief Executive Officer) Ashok Leyland Limited (Non-Executive Independent Director) | - |
| Ms. Kalpana Jaisingh Morparia (DIN: 00046081) ⁶ | Non-Executive Independent Director | - | 2 | 2 | 1 | Dr. Reddy's Laboratories Limited (Non-Executive Independent Director) Hindustan Unilever Limited (Non-Executive Independent Director) | - |
| Executive Directors | | | | | | | |
| Mr. Sahil Barua (DIN: 05131571) ⁷ | Managing Director and Chief Executive Officer | - | - | - | - | - | 13,407,798 |
| Mr. Sandeep Kumar Barasia (DIN: 01432123) ⁸ | Executive Director and Chief Business Officer | - | 1 | - | - | - | 4,762,700 |
| Mr. Kapil Bharati (DIN: 02227607) ⁹ | Executive Director and Chief Technology Officer | - | - | - | - | - | 6,694,800 |
| Non-Executive Directors | | | | | | | |
| Ms. Anjali Bansal (DIN: 00207746) ¹⁰ | Non-Executive Director | - | 6 | - | 4 | Piramal Enterprises Limited (Non-Executive Independent Director) Apollo Tyres Limited (Non-Executive Independent Director) Tata Power Co Ltd (Non-Executive Independent Director - Shareholder Director) Siemens Limited (Non-Executive Independent Director) Voltas Limited (Non-Executive Independent Director) | 35,000 |

Corporate Governance Report (Contd.)

| Name of the Director & DIN | Designation & Category | No. of directorship in other Public Companies ¹ | | No. of Board Committee positions in other Public Companies ² | | Name of the other Listed Entities wherein directors of your Company are a Director and Category of such Directorship | Shareholding ¹⁷ in the Company as on March 31, 2022 |
|--|--|--|--------|---|--------|--|--|
| | | Chairperson | Member | Chairperson | Member | | |
| Ms. Hanne Birgitte Breinbjerg Sorensen (DIN: 08035439) ¹¹ | Non-Executive Director | - | 2 | - | 3 | Tata Consultancy Services Limited (Non-Executive Independent Director) Tata Motors Limited (Non Executive Independent Director) | 54,900 |
| Non-Executive Nominee Directors | | | | | | | |
| Mr. Suvir Suren Sujan (DIN: 01173669) | Non-Executive Nominee Director - nominated jointly by Nexus Ventures III Ltd. and Nexus Opportunity Fund Ltd. (Equity Investor) | - | - | - | - | - | - |
| Mr. Agus Tandiono (DIN: 08577542) ¹² | Non-Executive Nominee Director- nominated by Canada Pension Plan Investment Board (Equity Investor) | - | - | - | - | - | - |
| Mr. Munish Ravinder Varma (DIN: 02442753) ¹³ | Non-Executive Nominee Director - nominated by SVF Doorbell (Cayman) Ltd (Equity Investor) | - | - | - | - | - | - |
| Mr. Deep Verma (DIN: 06789500) ¹⁴ | Non-Executive Nominee Director - nominated by Internet Fund III Pte. Ltd. (Equity Investor) | - | - | - | - | - | - |
| Mr. Jiang Bo (DIN: 08659500) ¹⁴ | Non-Executive Nominee Director - nominated by Deli CMF Pte Ltd. (Equity Investor) | - | - | - | - | - | - |
| Mr. Neeraj Bharadwaj (DIN: 01314963) ¹⁴ | Non-Executive Nominee Director - nominated by CA Swift Investments ("Carlyle") (Equity Investor) | - | 5 | - | - | Sequent Scientific Ltd. (Non-Executive Independent Director) | - |
| Mr. Gautam Sinha (DIN: 01611273) ¹⁵ | Non-Executive Nominee Director - nominated by Times Internet Limited (Equity Investor) | - | 1 | - | - | - | - |
| Mr. Sumer Juneja (DIN: 08343545) ¹⁵ | Non-Executive Nominee Director - nominated by SVF Doorbell (Cayman) Ltd ("Soft Bank") (Equity Investor) | - | - | - | - | - | - |
| Mr. Donald Francis Colleran (DIN: 09431299) ¹⁶ | Non-Executive Nominee Director - nominated by FedEx Express Transportation and Supply Chain Services (India) Private Limited ("FedEx") (Equity Investor) | - | - | - | - | - | - |

Notes:

- Includes Directorships in Indian Public Companies (whether listed or not) excluding Delhivery Limited, Section 8 Companies and alternate directorships.
- Includes only Audit Committee and Stakeholders Relationship Committee in all Indian Public Companies (whether listed or not) excluding Delhivery Limited and Section 8 Companies.
- Mr. Deepak Kapoor was re-designated as a Non-Executive Independent Director for a period of 5 years w.e.f. October 1, 2021. Further, he was appointed as Chairman of the Board w.e.f. October 13, 2021.
- Mr. Srivatsan Rajan was re-designated as a Non-Executive Independent Director for a period of 5 years w.e.f. October 1, 2021.

- Mr. Romesh Sobti and Mr. Saugata Gupta were appointed as Non-Executive Independent Director(s) for a period of 5 years w.e.f. October 1, 2021.
- Ms. Kalpana Jaisingh Morparia was appointed as Non-Executive Independent Director for a period of 5 years w.e.f. October 13, 2021.
- Mr. Sahil Barua was re-designated and re-appointed as the Managing Director and Chief Executive Officer of the Company for a period of 5 years w.e.f. October 13, 2021.
- Mr. Sandeep Kumar Barasia was re-designated and re-appointed as the Executive Director and Chief Business Officer of the Company for a period of 5 years w.e.f. October 13, 2021.
- Mr. Kapil Bharati was appointed as the Executive Director of the Company w.e.f. August 19, 2021 and was further re-designated and re-appointed as the Executive Director and Chief Technology Officer of the Company for a period of 5 years w.e.f. October 13, 2021.
- Ms. Anjali Bansal ceased from the Board w.e.f. September 16, 2021 due to pre-occupation.
- Ms. Hanne Birgitte Breinbjerg Sorensen ceased from the Board w.e.f. October 01, 2021 due to pre-occupation.
- Mr. Agus Tandiono ceased from the Board w.e.f. April 08, 2022 due to personal reasons.
- Mr. Munish Ravinder Varma ceased from the Board w.e.f. June 29, 2022 due to personal reasons.
- Mr. Deep Verma, Mr. Jiang Bo and Mr. Neeraj Bharadwaj ceased from the Board w.e.f. October 13, 2021 due to personal reasons.
- Mr. Gautam Sinha and Mr. Sumer Juneja ceased from the Board w.e.f. October 22, 2021 due to personal reasons.
- Mr. Donald Francis Colleran was appointed as Non-Executive Nominee Director of the Company to represent the FedEx w.e.f. December 24, 2021.
- None of the Directors hold convertible instruments of your Company.

Additionally, Ms. Aruna Sundararajan has been appointed as Non-Executive Independent Director of your Company w.e.f. July 08, 2022.

Board's Independence

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may reasonably be anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors and after due assessment thereof, in the opinion of the Board they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs.

The Company has issued formal letters of appointment to the Independent Directors. As required under Regulation 46 of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors including their roles, responsibilities and duties are available at the website of your Company at <https://www.delhivery.com/investor-relations/>.

Board Meetings

Board Support

The Company Secretary and Compliance Officer is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for its consideration. He is also responsible for preparation of agenda in consultation with the Managing Director and Chief Executive Officer and the Chairman of your Company and convening of Board and Committee meetings. He attends all the meetings of the Board and its Committees and advise & assures the Board on Compliance and Governance principles.

Recording of Minutes of proceedings of Board and Committee meetings

The Company Secretary and Compliance Officer ensures appropriate recording of minutes of proceedings of each meeting of Board and Committee thereof in accordance with the applicable provisions of the Act read with Secretarial Standards issued by the Institute of Company Secretaries of India.

Post meeting follow-up mechanism

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board / Committee meetings are communicated promptly to the concerned departments. Action-taken report (if any) on decisions / minutes of the previous meeting(s) is/ are placed at the succeeding meetings of the Board / Committees for its perusal and suggestions.

Scheduling of Board Meetings

The schedule of Board Meetings for every financial year are decided in advance and communicated to the Members of the Board. The Board meets at least once a quarter to review the quarterly/ half-yearly/ annual financial results and other agenda items. Additional meetings are held as and when necessary. The Committees of the Board usually meet a day before or on the day of the formal Board meeting, or whenever the need arises for transacting respective business. The recommendations of the Committees are placed before the Board for update and necessary approval wherever required. The Chairperson(s) of the respective Committee(s) briefs the Board on discussions in respective Committee meetings.

Selection of agenda items for Board Meetings

The information, as required under Regulation 17(7) read with Schedule II, Part A of the SEBI Listing Regulations and applicable provisions of the Act, is made available to the Board as part of agenda.

The meetings of the Board are generally held at the Corporate Office of your Company at Plot No. 5, Sector - 44, Gurugram - 122002, Haryana, India and whenever necessary, in other locations, where your Company operates. However, in view of the COVID 19 pandemic and the restrictions on movement imposed by the government authorities, during FY22, Board Meetings were held through video conferencing.

Corporate Governance Report (Contd.)

Your Company was in the process of Initial Public Offer ("IPO") of its Equity Shares during the year. 20 (twenty) Board Meetings were held during the year to consider and approve various matters including approvals required for the IPO process. The meetings were held on May 25, 2021, May 31, 2021, June 18, 2021, August 03, 2021, August 19, 2021, August 31, 2021, September 17, 2021, September 24, 2021, October 01, 2021, October 13, 2021, October 22, 2021, October 26, 2021, November 01, 2021, November 18, 2021, November 30, 2021, December 11, 2021, December 24, 2021, January 13, 2022, January 17, 2022 and March 25, 2022. The gap between any 2 (two) Board meetings during the year did not exceed 120 (one hundred and twenty) days. The requisite quorum was present for all the meetings.

Table B: Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) for the period April 01, 2021 to March 31, 2022

| Name of the Director (Category) | Attendance in FY22 | |
|---|--|-------------------------------|
| | Board Meetings attended and held during tenure | Last AGM held on Sep 29, 2021 |
| Mr. Deepak Kapoor (Chairman and Non-Executive Independent Director) | 20/20 | No |
| Mr. Srivatsan Rajan (Non-Executive Independent Director) | 15/20 | No |
| Mr. Romesh Sobti (Non-Executive Independent Director) | 12/12 | N.A. |
| Mr. Saugata Gupta (Non-Executive Independent Director) | 11/12 | N.A. |
| Ms. Kalpana Jaisingh Morparia (Non-Executive Independent Director) | 11/11 | N.A. |
| Mr. Sahil Barua (Managing Director and Chief Executive Officer) | 20/20 | No |
| Mr. Sandeep Kumar Barasia (Executive Director and Chief Business Officer) | 20/20 | Yes |
| Mr. Kapil Bharati (Executive Director and Chief Technology Officer) | 15/15 | Yes |
| Ms. Anjali Bansal (Non-Executive Director) | 7/7 | N.A. |
| Ms. Hanne Birgitte Breinbjerg Sorensen (Non-Executive Director) | 7/8 | No |
| Mr. Suvir Suren Sujan (Non-Executive Nominee Director) | 20/20 | No |
| Mr. Agus Tandiono (Non-Executive Nominee Director) | 18/20 | No |
| Mr. Munish Ravinder Varma (Non-Executive Nominee Director) | 8/20 | No |
| Mr. Deep Verma (Non-Executive Nominee Director) | 7/9 | No |
| Mr. Jiang Bo (Non-Executive Nominee Director) | 5/9 | No |
| Mr. Neeraj Bharadwaj (Non-Executive Nominee Director) | 6/10 | No |
| Mr. Gautam Sinha (Non-Executive Nominee Director) | 2/10 | No |
| Mr. Sumer Juneja (Non-Executive Nominee Director) | 11/11 | No |
| Mr. Donald Francis Colleran (Non-Executive Nominee Director) | 2/3 | N.A. |

Inter-se Relationship among Directors

None of the directors are related to other Directors of your Company.

Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee ('NRC') formulates and recommends to the Board the appropriate qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience in business leadership, strategy, operations, technology, finance & accounts, governance and government / regulatory affairs. The Policy for appointment and removal of Directors and determining Directors' independence is available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

Key Board Qualifications, Expertise and Attributes

The Members of the Board are committed towards ensuring that the Board is in compliance with the highest standards of Corporate Governance. The Board of your Company consists of eminent individuals from diverse backgrounds with skills, experience, and expertise in various areas. The table below summarises the key skills, expertise, competencies and attributes which are taken into consideration by the NRC while recommending the appointment of Directors to the Board.

Table C: Directors' skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions for the period April 01, 2021 to March 31, 2022.

| | Areas of Skills/ Expertise/ Competencies | | | | | | |
|--|--|----------|------------|------------|--------------------|------------|--------------------------------|
| | Leadership | Strategy | Operations | Technology | Finance & Accounts | Governance | Government/ Regulatory Affairs |
| Mr. Deepak Kapoor | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Srivatsan Rajan | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Romesh Sobti | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Saugata Gupta | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ms. Kalpana Jaisingh Morparia | ✓ | ✓ | - | - | ✓ | ✓ | ✓ |
| Mr. Sahil Barua | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Sandeep Kumar Barasia | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Kapil Bharati | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ms. Anjali Bansal | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Ms. Hanne Birgitte Breinbjerg Sorensen | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Suvir Suren Sujan | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Agus Tandiono | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Munish Ravinder Varma | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Deep Verma | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Jiang Bo | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Neeraj Bharadwaj | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Gautam Sinha | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Sumer Juneja | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Mr. Donald Francis Colleran | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

Familiarisation Programme for Directors (including Independent Directors)

As a practice, all new Directors (including Independent Directors) inducted to the Board are given a formal orientation. The Directors are usually encouraged to visit the facility locations of the Company and interact with members of Senior Management as part of the induction programme. The Senior Management make presentations on an overview of strategy, operations, products, markets, group structure and subsidiaries of your Company. It also includes the Board constitution and guidelines, matters reserved for the Board and the major risks and risk management strategy. This enables the Directors to get a deep understanding of your Company, its people, values, culture and facilitates their active participation in overseeing the performance of the management.

The details of familiarisation programme imparted to the Independent Directors are available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

Board Evaluation

The NRC has formulated a Policy and laid down the criteria for evaluation of the Board and its Committees and the same has been adopted by the Board.

Your Company got listed on May 24, 2022 on Stock Exchanges and the performance evaluation of the Board and Committees for FY22 was carried out by Directors during May 2022 and the results of the same were shared with the NRC and the Board.

The performance of the Board and the Committees was evaluated after seeking inputs from all the directors on the

basis of criteria such as the composition and meetings, role & responsibilities and overall effectiveness of the Board & Committees. The various steps involved in the evaluation process were as under:

- Circulation of evaluation forms to all Directors.
- Sharing of responses in the questionnaire by the Directors with NRC Chairperson.
- Preparation of summary report by NRC Chairperson.
- Presentation of summary report to the Board for suggestion of appropriate actions.

The overall performance evaluation exercise was completed to the satisfaction of the Board. The Board deliberated on the outcome and agreed to take necessary steps going forward.

Separate Meeting of Independent Directors

Pursuant to Schedule IV of the Act read with Regulation 25 of SEBI Listing Regulations, the Independent Directors met on October 13, 2021, May 04, 2022 and May 28, 2022 without the presence of Non-Independent Directors and members of the management and have inter-alia assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Succession Planning

Your Company has a mechanism for succession planning which focuses on succession of Directors, Key Managerial Personnel and other Senior Management Personnel. The NRC implements this mechanism in concurrence with the Board.

Corporate Governance Report (Contd.)

Committees & its Meetings

During the year, the Board has 7 (seven) Committees, namely:

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Corporate Social Responsibility Committee,
4. Stakeholders Relationship Committee,
5. Risk Management Committee,
6. IPO Committee and
7. Merger and Amalgamation ("M&A") Committee.

The internal guidelines of your Company for Board & Committee meetings facilitate the decision-making process at its meetings in an informed and efficient manner.

Audit Committee

The primary objective of the Audit Committee is to monitor and provide strategic guidance to the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the Internal Auditors, the Statutory Auditors, the Secretarial Auditors and notes the processes and safeguards deployed by each of them.

Extract of the terms of reference of the Audit Committee includes the following:

- Oversight of the financial reporting process and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible.
- Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
- Evaluation of internal financial controls and risk management systems.
- Reviewing the compliances of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
- Carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/ or as provided under the Act, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The terms of reference of this Committee are available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

As per the provisions of the Section 177 of the Act read with Rules made thereunder, the Board had constituted an Internal Audit Committee on August 30, 2017.

Table D: The composition of the Internal Audit Committee and attendance details of the members for the period April 01, 2021 to October 13, 2021 are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|-----------------------------|--------------------------------|------------------------------------|--------------------------|
| Mr. Deepak Kapoor, Chairman | Non-Executive Director | 3 | 3 |
| Mr. Srivatsan Rajan | Non-Executive Director | 3 | 3 |
| Mr. Sumer Juneja | Non-Executive Nominee Director | 3 | 3 |
| Mr. Deep Verma* | Non-Executive Nominee Director | 2 | 1 |

* ceased as Director and member w.e.f. October 13, 2021

3 (three) meetings of the Committee were held on June 17, 2021, September 23, 2021 and October 13, 2021. The requisite quorum was present for the said meetings. All the decisions at Committee meetings were taken unanimously.

As your Company was in the process of IPO of its Equity Shares, the Internal Audit Committee was reconstituted and renamed as "Audit Committee" pursuant to a resolution passed by the Board at its meeting held on October 13, 2021 in accordance with the provisions of Regulation 18 of SEBI Listing Regulations read with Section 177 of the Act and the Rules made thereunder.

Table E: The composition of the Audit Committee and the attendance details of the members for the period October 14, 2021 to March 31, 2022 are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|--------------------------------|--------------------------------|------------------------------------|--------------------------|
| Mr. Romesh Sobti (Chairperson) | Independent Director | 3 | 3 |
| Mr. Srivatsan Rajan | Independent Director | 3 | 3 |
| Mr. Agus Tandiono* | Non-Executive Nominee Director | 3 | 3 |

* Mr. Agus Tandiono ceased as Director and member w.e.f. April 08, 2022 and Mr. Suvir Suren Sujan has been appointed as member of the Committee w.e.f. April 19, 2022.

Ms. Aruna Sundararajan has been appointed as member of the Committee w.e.f. August 22, 2022.

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

3 (three) meetings of the Committee were held on November 1, 2021, December 23, 2021 and March 24, 2022. The requisite quorum was present for the said meetings. All the decisions at Committee meetings were taken unanimously.

The Internal Auditors report functionally to the Committee. The Executive Directors, the Chief Financial Officer, Senior Management Personnel of your Company and representatives of Statutory Auditors of your Company, as considered appropriate, attended the meetings as invitees.

The Committee provides an opportunity for internal and external auditors to meet privately with the members of the Committee, without the presence of management.

During the year, the Committee discussed with your Company's internal auditors and statutory auditors, the scope and plans for respective audits, the results of their reports, their evaluation of your Company's internal controls, and overall quality of its financial reporting.

The Committee reviewed and discussed your Company's quarterly and annual audited financial statements with the management and the statutory auditors. It also considered and recommended to the Board for its approval various policies i.e., Whistle Blower Policy, Policy on Materiality of Related Party Transactions, Policy on Material Subsidiaries, Policy on Materiality of events / information, Policy on Preservation & Archival of documents, Code of Conduct for Insider Trading. During the year, all the recommendations made by the Committee were accepted by the Board.

Nomination and Remuneration Committee ("NRC")

The purpose of the NRC is to oversee nomination process including succession planning for the Senior Management Personnel & the Board of your Company and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors, Independent Directors, Key Management Personnel and Senior Management Personnel as per the criteria set by the Board in its Policy. The NRC and the Board periodically reviews the succession planning process of your Company and are satisfied that it has adequate process for orderly succession of the members of the Board, Key Management Personnel and Senior Management Personnel.

The NRC also assists the Board in discharging its responsibilities relating to compensation of Executive Directors, Non-Executive Directors, Key Management Personnel and Senior Management Personnel of your Company. The NRC has the overall responsibility of approving and evaluating the Compensation Plans, Delhivery Employees Stock Option (ESOP) Plans, Policies and Programmes for Executive Directors, Key Management Personnel and the Senior Management Personnel.

Extract of the terms of reference of the NRC includes the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of independent directors and the Board;
- Devising policy on Board diversity;
- Identifying persons who qualify to become directors or who may be appointed in senior management in

accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

- Recommend to the Board, all remuneration, in whatever form, payable to senior management personnel;
- Administering the ESOP Schemes / Plans;
- Carrying out any other activities as may be delegated by the Board and functions required to be carried out by the NRC as provided under the Act, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The terms of reference of NRC are available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

As per the provisions of Section 178 of the Act read with Rules made thereunder, the Board had constituted an Internal Nomination and Remuneration Committee on February 15, 2022.

Table F: The composition of the Internal NRC and the attendance details of the members for the period April 01, 2021 to October 13, 2021, are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|--|--------------------------------|------------------------------------|--------------------------|
| Ms. Anjali Bansal*(Chairperson) | Non-Executive Director | 3 | 3 |
| Mr. Srivatsan Rajan | Non-Executive Director | 5 | 5 |
| Ms. Hanne Birgitte Breinbjerg Sorensen** | Non-Executive Director | 4 | 4 |
| Mr. Sumer Juneja | Non-Executive Nominee Director | 5 | 1 |

* Ms. Anjali Bansal, ceased as Director and member w.e.f. September 16, 2021

** Ms. Hanne Birgitte Breinbjerg Sorensen, ceased as Director and member w.e.f. October 01, 2021

5 (five) meetings of the Committee were held on June 16, 2021, August 02, 2021, August 19, 2021, September 21, 2021 and October 07, 2021. The requisite quorum was present for the said meetings. All the decisions at Committee meetings were taken unanimously.

As your Company was in the process of IPO of its Equity shares, the Internal Nomination and Remuneration Committee was reconstituted and renamed as "Nomination and Remuneration Committee" pursuant to a resolution passed by the Board at its meeting held on October 13, 2021 in accordance with the provisions of Regulation 19 of SEBI Listing Regulations read with Section 178 of the Act and the Rules made thereunder.

Corporate Governance Report (Contd.)

Table G: The composition of the NRC Committee and the attendance details of the members for the period October 14, 2021 to March 31, 2022 are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|---|--------------------------------|------------------------------------|--------------------------|
| Ms. Kalpana Jaisingh Morparia (Chairperson) | Independent Director | 2 | 2 |
| Mr. Deepak Kapoor | Independent Director | 2 | 2 |
| Mr. Saugata Gupta | Independent Director | 2 | 1 |
| Mr. Suvir Suren Sujan | Non-Executive Nominee Director | 2 | 2 |

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

2 (two) meetings of the Committee were held on October 25, 2021 and March 24, 2022. The requisite quorum was present for the said meetings. All the decisions at Committee meetings were taken unanimously.

During the year, the Committee considered and recommended to the Board a Policy on Nomination, Remuneration & Evaluation (including Policy on appointment & removal of Directors / Key Managerial Personnel ("KMPs") / Senior Management Personnel ("SMPs"), Familiarisation Programme for Independent Directors, Succession Plan for Directors / KMPs / SMPs, Board Diversity, Board Evaluation) and Code of Conduct for Board members / KMPs and SMPs.

The Committee also considered and recommended remuneration payable to the Executive Directors & KMPs, grant of ESOPs, review of SMPs performance for FY22 and goals & remuneration for FY23.

During the year, all the recommendations made by the NRC were accepted by the Board.

Remuneration Policy for Board, KMPs and SMPs

On the recommendation of the NRC, the Board has approved the Remuneration Policy for Directors, KMP and SMPs of your Company. The same is available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

Table H: Remuneration paid to Directors during FY22

Amount (₹ in Million)

| Name | Fixed Salary | | | Bonus | Perquisite value on exercise of Stock Options | Commission | Sitting Fees | Others* | Total Compensation |
|--|--------------|------------|--------------------|--------|---|------------|--------------|---------|--------------------|
| | Basic | Allowances | Total Fixed Salary | | | | | | |
| Mr. Deepak Kapoor | - | - | - | - | - | - | 1.40 | 7.00 | 8.40 |
| Mr. Srivatsan Rajan | - | - | - | - | - | - | 1.10 | 6.50 | 7.60 |
| Mr. Romesh Sobti | - | - | - | - | - | - | 1.40 | 3.25 | 4.65 |
| Mr. Saugata Gupta | - | - | - | - | - | - | 1.30 | 3.25 | 4.55 |
| Ms. Kalpana Jaisingh Morparia | - | - | - | - | - | - | 1.50 | 3.04 | 4.54 |
| Mr. Sahil Barua | 9.37 | 19.50 | 28.87 | 246.20 | - | - | - | 3.36 | 278.43 |
| Mr. Sandeep Kumar Barasia | 16.93 | 21.48 | 38.41 | 246.20 | 637.75 | - | - | 6.32 | 928.68 |
| Mr. Kapil Bharati | 10.25 | 13.95 | 24.20 | 246.20 | - | - | - | 2.49 | 272.89 |
| Ms. Anjali Bansal | - | - | - | - | - | - | - | 3.02 | 3.02 |
| Ms. Hanne Birgitte Breinbjerg Sorensen | - | - | - | - | - | - | - | 3.68 | 3.68 |
| Mr. Suvir Suren Sujan | - | - | - | - | - | - | - | - | - |
| Mr. Agus Tandiono | - | - | - | - | - | - | - | - | - |
| Mr. Munish Ravinder Varma | - | - | - | - | - | - | - | - | - |
| Mr. Deep Verma | - | - | - | - | - | - | - | - | - |
| Mr. Jiang Bo | - | - | - | - | - | - | - | - | - |
| Mr. Neeraj Bharadwaj | - | - | - | - | - | - | - | - | - |
| Mr. Gautam Sinha | - | - | - | - | - | - | - | - | - |
| Mr. Sumer Juneja | - | - | - | - | - | - | - | - | - |
| Mr. Donald Francis Colleran | - | - | - | - | - | - | - | - | - |

* for Independent Directors, this column includes payment of fixed remuneration and for Executive Directors, it includes other perquisites and Annual Performance Incentives (API)

Details of ESOPs granted to Executive Directors under Delhivery Employees Stock Options Plans as on March 31, 2022.

| Particulars | Mr. Sahil Barua, Managing Director and Chief Executive Officer | | | |
|--|--|--|---------------|--|
| | ESOP Plan I | ESOP Plan II | ESOP Plan III | ESOP Plan IV |
| No. of ESOPs granted ^a | - | 1,068,000 | - | 7,600,000 |
| Exercise price and period | - | Exercise Price: ₹0.10*; Exercise Period: as provided in the Grant Letter | - | Exercise Price: ₹1; Exercise Period: as provided in the Grant Letter |
| Effective date of grant | - | February 01, 2021 | - | November 01, 2021 |
| Vesting period | - | Performance based vesting as defined in the grant letter | - | Performance and time based vesting as defined in the grant letter |
| Vesting Conditions | - | Options shall vest as per terms of grant approved by the NRC. | - | Options shall vest as per terms of grant approved by the NRC. |
| No. of ESOPs vested as on March 31, 2022 | - | Nil | - | Nil |
| No. of ESOPs exercised during FY22 | - | NIL | - | NIL |

* Pursuant to the issuance and allotment of bonus shares (in the proportion of 9:1 i.e. nine equity shares of ₹10 each for every one equity share of ₹10 each) vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and Sub division of face value of equity shares (in the proportion of 1 equity share of ₹10 each to 10 equity shares of ₹1 each) pursuant to a resolution passed at the annual general meeting dated September 29, 2021, appropriate adjustments were made to the outstanding options granted to the employees of the Company under and in terms of the Delhivery Employees Stock Option Plans such that the exercise price for all outstanding options as on relevant record date (vested and unvested options, including lapsed and forfeited options available for reissue) was proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on relevant record date were appropriately adjusted.

^a the Company has not issued stock options at a discount.

| Particulars | Mr. Sandeep Kumar Barasia, Executive Director and Chief Business Officer | | | |
|--|---|--|---------------|--------------|
| | ESOP Plan I | ESOP Plan II | ESOP Plan III | ESOP Plan IV |
| No. of ESOPs granted ^a | 3,500,000 | 1,068,000 | - | - |
| Exercise price and period | Exercise Price*: 1,709,400 - 11.63, 1,000,000 - 16.28, and 790,600 - 29.85 | Exercise Price: ₹0.10*; Exercise Period: as provided in the Grant Letter | - | - |
| Effective date of grant | 1,709,400: Effective date of grant - October 01, 2015, 1,000,000: Effective date of grant - April 01, 2018, and 790,600: Effective date of grant - March 31, 2020 | February 01, 2021 | - | - |
| Vesting period | 1 year to 4 year | Performance based vesting as defined in the grant letter | - | - |
| Vesting Conditions | Time-based vesting as per terms of grant approved by the NRC. | Options shall vest as per terms of grant approved by the NRC. | - | - |
| No. of ESOPs vested but not yet exercised as on March 31, 2022 | 98,800 | Nil | - | - |
| No. of ESOPs exercised during FY22 | 2,646,500 | NIL | - | - |

* Pursuant to the issuance and allotment of bonus shares (in the proportion of 9:1 i.e. nine equity shares of ₹10 each for every one equity share of ₹10 each) vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and Sub division of face value of equity shares (in the proportion of 1 equity share of ₹10 each to 10 equity shares of ₹1 each) pursuant to a resolution passed at the annual general meeting dated September 29, 2021, appropriate adjustments were made to the outstanding options granted to the employees of the Company under and in terms of the Delhivery Employees Stock Option Plans such that the exercise price for all outstanding options as on relevant record date (vested and unvested options, including lapsed and forfeited options available for reissue) was proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on relevant record date were appropriately adjusted.

^a the Company has not issued stock options at a discount.

Corporate Governance Report (Contd.)

| Particulars | Mr. Kapil Bharati, Executive Director and Chief Technology Officer | | | |
|--|--|--|---------------|--------------|
| | ESOP Plan I | ESOP Plan II | ESOP Plan III | ESOP Plan IV |
| No. of ESOPs granted ^a | 824,800 | 1,068,000 | - | - |
| Exercise price and period | Exercise Price*: ₹29.85; | Exercise Price: ₹0.10*; Exercise Period: as provided in the Grant Letter | - | - |
| Effective date of grant | June 30, 2021 | February 01, 2021 | - | - |
| Vesting period | 1 year | Performance based vesting as defined in the grant letter | - | - |
| Vesting Conditions | Time-based vesting | Options shall vest as per terms of grant approved by the NRC. | - | - |
| No. of ESOPs vested as on March 31, 2022 | Nil | Nil | - | - |
| No. of ESOPs exercised during FY22 | Nil | Nil | - | - |

* Pursuant to the issuance and allotment of bonus shares (in the proportion of 9:1 i.e. nine equity shares of ₹10 each for every one equity share of ₹10 each) vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and Sub division of face value of equity shares (in the proportion of 1 equity share of ₹10 each to 10 equity shares of ₹1 each) pursuant to a resolution passed at the annual general meeting dated September 29, 2021, appropriate adjustments were made to the outstanding options granted to the employees of the Company under and in terms of the Delhivery Employees Stock Option Plans such that the exercise price for all outstanding options as on relevant record date (vested and unvested options, including lapsed and forfeited options available for reissue) was proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on relevant record date were appropriately adjusted.

^a the Company has not issued stock options at a discount.

During the year, your Company did not have any pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. The annual remuneration payable to a single Non-Executive Director did not exceed fifty per cent of the total annual remuneration payable to all the Non-Executive Directors of your Company.

The annual remuneration of Mr. Sahil Barua, Managing Director and Chief Executive Officer, Mr. Sandeep Kumar Barasia, Executive Director and Chief Business Officer and Mr. Kapil Bharati, Executive Director and Chief Technology Officer, comprises of a fixed salary, performance related pay & annual bonus and additional benefits components. Service Agreements exists with each of them which contains the terms and conditions of their service, including remuneration, notice period, severance compensation, etc., as approved by the NRC and the Board, from time to time. Each Service Agreement is valid for a period of five years unless terminated in accordance with the agreement. The employment of the employee may be terminated by your Company or by the employee, by giving 3 (three) months' notice in writing or payment of 3 (three) months of salary in lieu of such notice. If the employment is terminated by your Company for a cause, the employee will not be entitled to any compensation or benefit, following the effective date of termination other than the termination dues and the shares held by such employee and stock options that have been vested whether exercised or not by the employee. The employee shall not be entitled to any compensation for loss of office.

Further, the annual remuneration of Mr. Deepak Kapoor, Mr. Srivastan Rajan, Mr. Romesh Sobti, Mr. Saugata Gupta and Ms. Kalpana Jaisingh Morparia, Non-Executive Independent Directors comprises of a fixed annual remuneration being paid on quarterly basis and sitting fees @ ₹1 Lakh per Board / Committee meeting attended by them.

Corporate Social Responsibility ("CSR") Committee

The purpose of CSR Committee is to formulate and recommend to the Board, a CSR Policy, which shall indicate the initiatives to be undertaken by your Company, recommend the amount of expenditure that your Company should incur on CSR activities and to monitor from time to time the CSR activities and Policy of your Company.

Extract of the terms of reference of CSR Committee includes the following:

- Formulating and recommending to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- Recommending the amount of expenditure to be incurred on the activities referred to in clause (a);
- Monitoring the CSR Policy of the Company and its implementation from time to time;
- Considering Environmental, Social and Governance ("ESG") initiatives / reporting; and
- Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be required under applicable law, as and when amended from time to time.

The terms of reference of this Committee are available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

As per the provisions of Section 135 of the Act read with Rules made thereunder, the Board had constituted a CSR Committee on March 14, 2018.

Table I: The composition of the CSR Committee during the period April 01, 2021 to October 13, 2021 are given below:

| S. No. | Name of the Members | Category |
|--------|---|------------------------|
| 1. | Mr. Sahil Barua (Chairperson) | Executive Director |
| 2. | Mr. Sandeep Kumar Barasia | Executive Director |
| 3. | Ms. Hanne Birgitte Breinbjerg Sorensen* | Non-Executive Director |

* ceased as Director and member w.e.f. October 01, 2021

The Committee did not meet during the period April 01, 2021 to October 13, 2021.

As your Company was in the process of IPO of its Equity shares, the CSR Committee was reconstituted pursuant to a resolution passed by your Board at its meeting held on October 13, 2021.

Table J: The composition of the CSR Committee and the attendance details of the members for the period October 14, 2021 to March 31, 2022 are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|---|----------------------|------------------------------------|--------------------------|
| Ms. Kalpana Jaisingh Morparia (Chairperson) | Independent Director | 2 | 2 |
| Mr. Sahil Barua | Executive Director | 2 | 2 |
| Mr. Sandeep Kumar Barasia | Executive Director | 2 | 2 |

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

2 (two) meetings of the Committee were held on January 31, 2022 and March 24, 2022. The requisite quorum was present for the said meetings. All the decisions at Committee meetings were taken unanimously.

During the year, the Committee considered and recommended to the Board the CSR Policy, CSR activities, CSR Budget and expenditure for FY22, Strategy for FY23 and CSR Budget for FY23. During the year, all the recommendations made by the Committee were accepted by the Board.

The CSR policy is available on website of your Company at <https://www.delhivery.com/investor-relations/>

The nomenclature of Corporate Social Responsibility Committee has been changed to "CSR & Sustainability Committee" w.e.f. May 30, 2022.

Ms. Aruna Sundararajan has been appointed as member of the CSR & Sustainability Committee with effect from August 22, 2022.

Stakeholders Relationship Committee ("SRC")

The purpose of the Stakeholders Relationship Committee ('SRC') is to consider the grievances of shareholders and other security holders of your Company, including complaints relating to non-receipt of annual report, transfer and transmission of securities, non-receipt of dividends / interests, issue of new / duplicate certificates, general meetings and such other grievances as may be raised by the security holders from time to time.

Extract of the terms of reference of SRC includes the following:

- Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/ consolidation/ renewal, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
- Carrying out any other functions required to be carried out by the SRC as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The terms of reference of this Committee are available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

The SRC was constituted pursuant to a resolution passed by your Board at its meeting held on October 13, 2021 in accordance with provisions of 178 of the Act read with Rules made thereunder and Regulation 20 of the SEBI Listing Regulations.

Corporate Governance Report (Contd.)

Table K: The composition of the SRC and the attendance details of the members for the period from October 14, 2021 to March 31, 2022 are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|---------------------------------|----------------------|------------------------------------|--------------------------|
| Mr. Saugata Gupta (Chairperson) | Independent Director | 1 | 1 |
| Mr. Srivatsan Rajan | Independent Director | 1 | 0 |
| Mr. Kapil Bharati | Executive Director | 1 | 1 |

In terms of Regulation 6 and Schedule V of the SEBI Listing Regulations, the Board has appointed Mr. Sunil Kumar Bansal, Company Secretary as the Compliance Officer of the Company w.e.f. October 13, 2021. The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

1 (one) meeting of the Committee was held on March 24, 2022. The requisite quorum was present for the said meeting. All the decisions at Committee meeting were taken unanimously.

During the year, the Committee considered and approved the allotment of shares on exercise of ESOPs under ESOP Plan 2012 of your Company and reviewed the shareholders /Investor Grievances received by your Company. There was no investor complaint pending for the period April 01, 2021 to March 31, 2022.

Risk Management Committee ("RMC")

The purpose of the RMC is to frame, implement and monitor the risk management policy of your Company. The Committee assists the Board in fulfilling its oversight responsibility with respect to Enterprise Risk Management.

Extract of the terms of reference of the RMC includes the following:

- Formulating a detailed risk management policy which shall include: (i) a framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the RMC; (ii) measures for risk mitigation including systems and processes for internal control of identified risks; and (iii) business continuity plan;
- Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of your Company;
- Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity,

and recommend for any amendment or modification thereof, as necessary;

- Keeping the Board of your Company informed about the nature and content of its discussions, recommendations and actions to be taken;
- Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
- Implementing and monitoring policies and/ or processes for ensuring cyber security; and
- Any other similar or other functions as may be laid down by Board from time to time and/ or as may be required under applicable law, as and when amended from time to time, including the SEBI Listing Regulations.

The terms of reference of this Committee are available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

The RMC was constituted pursuant to a resolution approved by your Board on October 13, 2021 in accordance with provisions of Regulation 21 of the SEBI Listing Regulations.

Table L: The composition of the RMC and the attendance details of the members for the period October 14, 2021 to March 31, 2022 are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|-----------------------------------|---------------------------------|------------------------------------|--------------------------|
| Mr. Srivatsan Rajan (Chairperson) | Independent Director | 1 | 1 |
| Mr. Romesh Sobti | Independent Director | 1 | 1 |
| Mr. Kapil Bharati | Executive Director | 1 | 1 |
| Mr. Ajith Pai Mangalore* | Chief Operating Officer ('COO') | 1 | 1 |

* Not a member on the Board

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

1 (One) meeting of the Committee was held on February 09, 2022. The requisite quorum was present for the said meeting. All the decisions at Committee meeting were taken unanimously.

During the year, the Committee considered and recommended the Risk Management Policy and reviewed the Risks and Mitigation plan thereof. During the year, all the recommendations made by the RMC were accepted by the Board.

IPO Committee

The purpose of the IPO Committee of the Board was to oversee and facilitate the process of the IPO of its Equity shares. The Committee was authorised to approve and decide upon all activities in connection with the IPO, including, but not limited to, approve the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, to

decide the terms and conditions of the IPO, to appoint various intermediaries, negotiating and executing Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time.

Extract of the terms of reference of the IPO Committee includes the following:

- Making applications to the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India, or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions as may be required;
- Approving and filing the draft red herring prospectus ("DRHP") with the SEBI, the red herring prospectus ("RHP") and prospectus ("Prospectus") with the Registrar of Companies, National Capital Territory of Delhi and Haryana at New Delhi and thereafter with SEBI and the relevant stock exchanges and the preliminary and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient) in relation to the Offer as finalized by the Company, therein;
- Deciding in consultation with the book running lead managers ("BRLMs") on the timing, pricing and all the terms and conditions of the Offer, including the price band, Offer price, Offer size and to accept any amendments, modifications, variations or alterations thereto;
- Appointing and entering into arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, registrars, legal advisors, advertising agency and any other agencies or persons or intermediaries to the Offer and to negotiate and finalize the terms of their appointment;
- Taking on record the approval of the selling shareholder(s) for offering their Equity Shares in the Offer for Sale;
- Making applications for listing of the Equity Shares in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s); and
- Carrying out any other activities as may be delegated by the Board and functions required to be carried out by the IPO Committee as provided under the Act, the SEBI (ICDR) Regulations or any other applicable law, as and when amended from time to time.

Initially, the IPO Committee was constituted as "IPO and M&A Committee" pursuant to a resolution approved by the Board on June 18, 2021. The said Committee was reconstituted and 2 (two) separate Committees i.e. IPO Committee and M&A

Committee, were formed on August 12, 2021 and August 19, 2021 respectively.

Table M: The composition of the IPO Committee and the attendance details of the members for the period June 18, 2021 to March 31, 2022 are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|------------------------------|--------------------------------|------------------------------------|--------------------------|
| Mr. Deepak Kapoor (Chairman) | Independent Director | 1 | 1 |
| Mr. Sahil Barua | Executive Director | 1 | 1 |
| Mr. Srivatsan Rajan | Independent Director | 1 | 1 |
| Mr. Suvir Suren Sujan | Non-Executive Director | 1 | 1 |
| Mr. Munish Ravinder Varma * | Non-Executive Nominee Director | 1 | 1 |
| Mr. Sumer Juneja** | Non-Executive Nominee Director | - | - |
| Mr. Neeraj Bharadwaj*** | Non-Executive Nominee Director | - | - |

* Mr. Munish Ravinder Varma ceased as a Director and member of the Committee w.e.f. June 29, 2022

** Mr. Sumer Juneja ceased as a Director and member of the Committee w.e.f. October 22, 2021

*** Mr. Neeraj Bharadwaj ceased as a Director and member of the Committee w.e.f. October 13, 2021

The Company Secretary and Compliance Officer acts as the Secretary to the Committee.

1 (one) meeting of the Committee was held on November 01, 2021. The requisite quorum was present for the said meeting. The Committee approved the Draft Red Herring Prospectus ("DRHP") for initial public offer of the equity shares of your Company. All the decisions at such Committee meeting were taken unanimously.

Consequent upon the completion of IPO and listing of the shares of the Company w.e.f. May 24, 2022, the IPO Committee stand dissolved.

M&A Committee

The purpose of the M&A Committee is to review and recommend merger, acquisition and corporate investment transactions proposed by your Company's management and the Committee is authorized to take all other decisions on behalf of the Board with respect to all matters relating to any Merger and Acquisition transaction being entered or proposed to be entered by the Company.

Initially, the M&A Committee was constituted as "IPO and M&A Committee" pursuant to a resolution approved by the Board on June 18, 2021. The said Committee was reconstituted and 2 (two) separate Committees i.e. IPO Committee and M&A Committee were formed on August 12, 2021 and August 19, 2021 respectively.

Corporate Governance Report (Contd.)

Table N: The composition of the M&A Committee and the attendance details of the members for the period June 18, 2021 to March 31, 2022 are given below:

| Name of the Members | Category | No. of Meetings held during tenure | No. of Meetings Attended |
|------------------------------|--------------------------------|------------------------------------|--------------------------|
| Mr. Deepak Kapoor (Chairman) | Independent Director | 2 | 2 |
| Mr. Sahil Barua | Executive Director | 2 | 2 |
| Mr. Srivatsan Rajan | Independent Director | 2 | 2 |
| Mr. Suvir Suren Sujan | Non-Executive Nominee Director | 2 | 2 |
| Mr. Munish Ravinder Varma * | Non-Executive Nominee Director | 2 | 1 |
| Mr. Sumer Juneja** | Non-Executive Nominee Director | 2 | 1 |
| Mr. Neeraj Bharadwaj*** | Non-Executive Nominee Director | 2 | 2 |

* Mr. Munish Ravinder Varma ceased as a Director and member of the Committee w.e.f. June 29, 2022

** Mr. Sumer Juneja ceased as a Director and member of the Committee w.e.f. October 22, 2021

*** Mr. Neeraj Bharadwaj ceased as a Director and member of the Committee w.e.f. October 13, 2021

2 (two) meetings of the Committee were held on July 09, 2021 and August 20, 2021. The requisite quorum was present for the said meetings. All the decisions at Committee meetings were taken unanimously.

General Information for Shareholders

General Body Meetings

Table O: Location and time, where last three AGMs were held:

| Financial Year Ended | Date | Time | Venue | Special Resolution(s) Passed |
|----------------------|--------------------|------------|--|--|
| March 31, 2021 | September 29, 2021 | 4.30 P.M. | N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi - 110037 | <ol style="list-style-type: none"> To approve the sub-division of shares of the Company into shares of smaller amount than fixed by the Memorandum of Association of the Company and consequent alteration to the Memorandum of Association To approve the amendments to the existing Delhivery Employees Stock Option Plan, 2012 of the Company To approve the amendments to the existing Delhivery Employees Stock Option Plan II, 2020 of the Company To approve the amendments to the existing Delhivery Employees Stock Option Plan III, 2020 of the Company To approve the Delhivery Employees Stock Option Plan IV, 2021 of the Company To approve the Conversion of Company from private limited to public limited company and alteration of Memorandum of Association and Articles of Association |
| March 31, 2020 | September 30, 2020 | 11.00 A.M. | N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi - 110037 | - |
| March 31, 2019 | September 30, 2019 | 5.30 P.M. | A-29 (Back Part), Mohan Cooperative Industrial Estate, New Delhi -110044 | <ol style="list-style-type: none"> Adoption and approval of the amended and restated Articles of Association of the Company |

No special resolution was passed during the year through postal ballot. Special resolutions for ratification of ESOPs Plans of your Company and provisions of Articles of Association were passed through postal ballot on July 10, 2022.

Further, no special resolution is proposed to be passed through postal ballot.

Postal Ballot

As on the date of this Report, the following special resolutions were passed by your Company through Postal Ballot on July 10, 2022:

| Item No. | Description of Special Resolution |
|----------|---|
| 1 | Ratification of Delhivery Employees Stock Option Plan, 2012 |
| 2 | Ratification to extend benefits of Delhivery Employees Stock Option Plan, 2012 to the employees of the Group Companies including the Subsidiary Companies, of the Company |
| 3 | Ratification of Delhivery Employees Stock Option Plan II, 2020 |
| 4 | Ratification to extend benefits of Delhivery Employees Stock Option Plan II, 2020 to the employees of the Group Companies including the Subsidiary Companies, of the Company |
| 5 | Ratification of Delhivery Employees Stock Option Plan III, 2020 |
| 6 | Ratification to extend benefits of Delhivery Employees Stock Option Plan III, 2020 to the employees of the Group Companies including the Subsidiary Companies, of the Company |
| 7 | Ratification of Delhivery Employees Stock Option Plan IV, 2021 |
| 8 | Ratification to extend benefits of Delhivery Employees Stock Option Plan IV, 2021 to the employees of the Group Companies including the Subsidiary Companies, of the Company |
| 9 | Approval of Article 97 (ii) of the Articles of Association ("AOA") of the Company |

Procedure for Postal Ballot

Pursuant to the applicable provisions of the Act and other relevant circulars and notifications issued by the Ministry of Corporate Affairs, Government of India (hereinafter referred to as "the MCA Circular(s)") approval of Members of your Company was taken only by way of voting through electronics means ("Remote e-voting").

The Company engaged the services of National Securities Depository Limited (NSDL) for facilitating remote e-voting to enable the Members to cast their votes electronically. Mr. Prabhakar Kumar, Partner of M/s VAPN & Associates (FCS No. 5781 and CP No. 10630), Practising Company Secretary, was appointed to act as the Scrutiniser for the Postal Ballot process. The voting period commenced on Saturday, June 11, 2022 at 10.00 a.m. (IST) and ended on Sunday, July 10, 2022 at 5.00 p.m. (IST). The cut-off date, for the purpose of determining the number of Members was Friday, June 03, 2022. The Scrutiniser, after the completion of scrutiny, submitted his report to the Chairman of your Company.

The consolidated results of the voting by Postal Ballot and remote e-voting were announced on Monday, July 11, 2022. The results were displayed on the website of your Company at <https://www.delhivery.com/investorrelations/>, on the website of Stock Exchanges where the shares of your Company are listed i.e. BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and on the website of NSDL. The same were also displayed at the Registered Office of the Company as well as its Corporate Office.

Means of Communication

The shares of your Company were listed on May 24, 2022 on Stock Exchanges consequent upon which all steps are being taken for communications with the shareholders / investors.

The financial results for the quarter and year ended March 31, 2022 were disseminated through Stock Exchanges, published on the website of your Company at <https://www.delhivery.com/investor-relations/> and in all editions of the English daily of Financial Express and Hindi daily of Jansatta. The various sections of website of your Company keep the shareholders / investors updated on the key and material development of your Company by providing timely information like Board / Committees, various policies, press releases, financial results, investor presentations and stock exchange filings etc.

General Shareholders Information

a) Annual General Meeting 2022:

Table P:

| | |
|------------------------------|--|
| Day & Date | Thursday & September 29, 2022 |
| Time | 11.00 A.M |
| Venue | Video Conferencing (Deemed Venue for Meeting - N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi-110037) |
| Financial Year | FY 2021-22 |
| Book Closure Dates | Thursday, September 22, 2022 to Thursday, September 29, 2022 |
| Dividend Payment Date | Not Applicable |

b) Listing on Stock Exchanges

The Equity Shares of your Company are listed on the BSE and NSE in India w.e.f. May 24, 2022. The annual listing fees for the FY23 have been paid to the respective stock exchanges.

Table Q: ISIN and Stock Code details

| Stock Exchanges | ISIN | Stock Code |
|--|--------------|------------|
| BSE Limited ('BSE'), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001, Maharashtra, India | INE148001028 | 543529 |
| National Stock Exchange of India Limited ('NSE'), Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Mumbai - 400 051, Maharashtra, India | INE148001028 | DELHIVERY |

c) Market Price Data – High, Low (based on daily closing price) and volume (no. of shares traded) for the FY22 of Fully Paid-up Ordinary Shares, on BSE and NSE

Not Applicable as your Company was not listed as on March 31, 2022.

d) Performance of the share price of the Company in comparison to broad-based indices like BSE Sensex, CRISIL Index etc.

Not Applicable as your Company was not listed as on March 31, 2022.

Corporate Governance Report (Contd.)

e) In case the securities are suspended from trading, the directors report shall explain the reason thereof

Not Applicable

f) Registrar & Share Transfer Agent

M/s. Link Intime India Pvt. Ltd.
C- 101, 1st Floor, 247 Park, LBS Marg,
Vikhroli West, Mumbai- 400083
Phone: +91 22-49186000
Fax: +91 22-49186060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Mr. Swapan Kumar Naskar

g) Share transfer system / Dematerialization of shares and liquidity

The Shares of your Company are traded on the Stock Exchanges compulsorily in dematerialised mode. The entire paid-up share capital of your Company is held in dematerialised form as on March 31, 2022. The dematerialised shares are transferred directly to the beneficiaries by the depositories. Transfer of shares in physical form is not permitted as per applicable SEBI circulars.

Your Company has established connectivity with both the depositories, i.e. NSDL and CDSL. The International Securities Identification Number ('ISIN') allotted to the Fully paid-up under the Depository System is INE148001028.

As on the date of this report the equity shares are frequently traded on BSE and NSE.

h) Distribution of Shareholding of Ordinary Shares

Not Applicable as your Company was not listed as on March 31, 2022.

i) Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity

As on March 31, 2022, no GDRs/ADRs/Warrants or convertible instruments were outstanding.

j) Commodity price risk or foreign exchange risk and hedging activities

Not applicable.

k) Facility / Plant Location

Your Company offers the range of integrated transportation services and distribution of shipments through its network of facilities spread across India as under;

- 123 Gateways including 3 Mega Gateways at Bhiwandi (Maharashtra), Bengaluru (Karnataka) and Tauru (Haryana).
- 21 Automated Sort Centres.
- 95 Fulfilment Centres.

- 267 Service Centres.
- 143 Intermediate Processing Centres.
- 35 Return Processing Centres.
- 2,961 Direct Delivery Centres.

l) Address for communication

Investors should address their correspondence to the Registrar & Share Transfer Agents: M/s. Link Intime India Pvt. Ltd. at the address mentioned hereinbelow.

Link Intime India Pvt. Ltd

Noble Heights, 1st Floor, Plot No. NH 2, LSC,
C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058 P: +91 11 49411000
Website: www.linkintime.co.in

Contact person name: Swapan Kumar Naskar
Designation: Associate Vice President & Head
(North India)

Contact No: 09312432265
Email address: delhi@linkintime.co.in

Investors may also contact Sunil Kumar Bansal, Company Secretary and Compliance Officer or Mr. Vivek Kumar, Deputy Company Secretary, at the Registered Office / Corporate Office of your Company at corporateaffairs@delhivery.com for any assistance and guidance in connection with investors' matters. The correspondence address of your Company are:

Registered Office: N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, Indira Gandhi International Airport, New Delhi 110037 Delhi, India

Corporate Office: Plot 5, Sector 44, Gurugram 122002 Haryana, India
Contact No.: +91 124 6225602

m) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

Not Applicable

Other Disclosures

i) Related Party Transactions

All Related-Party contracts or arrangements or transactions entered during the year were on arm's-length basis and in the ordinary course of business and in compliance with the applicable provisions of the Act/Regulations. None of the contracts or arrangement or transactions with any of the Related Parties were in conflict with the interest of your Company.

Details of related party transactions entered into by your Company, in terms of Ind AS-24 have been disclosed in the note no. 35 to the respective standalone and consolidated financial statements forming part of this Annual Report.

ii) Details of Capital Market Non-Compliance, If any

During the last 3 (three) years, there were no strictures or penalties imposed on your Company by any statutory authorities. The capital market related compliances were not applicable as your Company was not listed during the last 3 (three) years.

iii) Vigil Mechanism / Whistle-Blower Policy

Pursuant to the provisions of Section 177 of the Act read with the Rules thereunder and Regulation 22 of SEBI Listing Regulations, your Company has established a Vigil Mechanism / Whistle Blower Policy for Directors, employees, vendors, customers and other stakeholders of your Company and its subsidiaries to raise and report concerns regarding any unethical conduct, irregularity, misconduct, actual or suspected fraud or any other violation of the Policy within the Company. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The said Policy is available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

iv) Compliance with mandatory and discretionary requirements

All the mandatory requirements of Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Regulation 34(3) read together with para C, D & E of Schedule V of the SEBI Listing Regulations for the financial year ended March 31, 2022 have been complied with to the extent applicable on your Company and are disclosed in this report.

The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

The Board:

Your Company does not maintain the separate office for Chairman.

Shareholder Rights:

Your Company was listed on May 24, 2022 and may consider circulation of a half-yearly declaration of financial performance including summary of the significant events in the last six-months, in future.

Modified opinion(s) in Audit Report:

The Auditors have expressed an unmodified opinion in their report on the financial statements of your Company.

Separate posts of Chairman and the Managing Director or the Chief Executive Officer:

Your Company has appointed separate persons to the post of the Chairman and the Managing Director & the Chief Executive Officer. The Chairman is (a) a non-executive independent director; and (b) not related to the Managing Director and the Chief Executive Officer

as per the definition of the term "relative" defined under the Act.

Reporting of Internal Auditor:

The Internal Auditor of your Company directly reports to the Audit Committee.

v) Policy for Determining Material Subsidiaries

Your Company has formulated a Policy for determining Material Subsidiaries and the same is available on your website of the Company at <https://www.delhivery.com/investor-relations/>.

vi) Compliance of Regulations relating to Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, If any

Your Company had complied with all the requirements under the SEBI Listing Regulations to the extent applicable on your Company.

vii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations

During the year, there were no funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

viii) Certificates from Practising Company Secretary

As required under Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by M/s VAPN & Associates (Firm Registration No. P2015DE045500), Practising Company Secretaries regarding compliance of conditions of Corporate Governance, is annexed to this report as **Annexure 2**.

As required under Clause 10 (i) of Part C under Schedule V of the SEBI Listing Regulations, your Company has received a certificate from M/s VAPN & Associates (Firm Registration No. P2015DE045500), Practising Company Secretaries certifying that none of your directors have been debarred or disqualified from being appointed or continuing as Directors of your Company by SEBI or Ministry of Corporate Affairs or such other statutory authority, is annexed to this report as **Annexure 3**.

ix) Consolidated Fees paid to Statutory Auditors

The total fee for all services paid by your Company and its Subsidiaries, on a consolidated basis, to M/s S.R. Batliboi & Associates LLP, Statutory Auditors and all the entities in the network firm/network entity, of which Statutory Auditors are a part, during the financial year 2021-22 is ₹17.49 million.

x) Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure regarding the complaints of sexual harassment are given in the Director's Report forming part of this Annual Report.

Corporate Governance Report (Contd.)

CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer (also being the "Managing Director") and the Chief Financial Officer have given appropriate certifications to the Board.

The Certificate duly signed by Mr. Sahil Barua, Managing Director and Chief Executive Officer and Mr. Amit Agarwal, Chief Financial Officer (CFO) of your Company was placed before the Board along with the Annual Financial Statement for the year ended March 31, 2022 at its meeting held on May 30, 2022. The said Certificate is annexed to this report as **Annexure 4**.

Half-yearly Certificate on Security Transfer

Not Applicable as your Company was not listed as on March 31, 2022.

Secretarial Audit and Secretarial Compliance

The Board has appointed M/s VAPN and Associates (Firm Registration No. P2015DE045500), Practicing Company Secretaries, to conduct secretarial audit of the company's records and documents for FY22. In terms of Regulation 24A of the SEBI Listing Regulations, Secretarial Audit for FY22, has been issued by M/s VAPN & Associates, Practicing Company Secretaries. The aforesaid Secretarial Audit report form part of the Director's Report and the same is available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

Further, in terms of aforesaid SEBI Listing Regulations, Secretarial Audit Report of Spoton Logistics Private Limited ("Spton"), a material subsidiary of your Company for FY22, have been issued by Mr. Madhwesh K, Practicing Company Secretary, Bengaluru. The aforesaid report forms part of the Director's Report and the same is available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

The Secretarial Compliance Report for FY 22 in compliance with Regulation 24A of the SEBI Listing Regulations issued by M/s VAPN & Associates, Practicing Company Secretaries was duly submitted to the Stock Exchanges.

Reporting as per para F of Schedule V of the SEBI Listing Regulations

As required under para F of Schedule V of the SEBI Listing Regulations, the requirement of reporting details of shares

Annexure 1

Declaration under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct

I, Sahil Barua, Managing Director and Chief Executive Officer of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for its Board Members, Key Managerial Personnel and Senior Management Personnel of the Company and they have affirmed compliance with the said code of conduct.

in suspense account, i.e. shares issued pursuant to the public issues or any other issue which remain unclaimed are not applicable.

Designated e-mail address for investor services

To serve the investors better and as required under Regulation 46(2)(j) of the SEBI Listing Regulations, the designated e-mail address for investor complaints is corporateaffairs@delhivery.com. The e-mail address for grievance redressal is monitored by your Company's Compliance Officer. The aforesaid email address for grievance redressal and other relevant details are available on the website of your Company at <https://www.delhivery.com/investor-relations/>.

SEBI Complaints Redressal System (SCORES)

The investor complaints are processed by SEBI in a centralised web-based complaints redressal system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has registered itself at SCORES.

Legal proceedings in respect of title of shares

There are no pending cases related to disputes over title to shares in which your Company has been made a party.

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund ('IEPF')

Not Applicable.

Green Initiative

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' undertaken by the MCA, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Members at their e-mail address previously registered with the DPs and RTAs. Members who have not registered their e-mail addresses so far are requested to do the same. Those Members holding shares in demat form can register their e-mail address with their concerned DPs. Members who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first / sole holder quoting details of Folio No.

For Delhivery Limited
(formerly known as Delhivery Private Limited)

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571

Place: Gurugram
Date: August 22, 2022

ANNEXURE 2

Certificate on Compliance with the Conditions of Corporate Governance Report as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended)

To,
The Members
Delhivery Limited
(formerly known as "Delhivery Private Limited")
CIN: L63090DL2011PLC221234

Registered Office: N24-N34, S24-S34, Air Cargo Logistics Centre-II,
Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037
Corporate Office: Plot No.-5 Sector-44 Gurugram, Haryana 122002.

The Corporate Governance Report prepared by **Delhivery Limited** [formerly known as "Delhivery Private Limited"] ("the Company"), contains details as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2), and para C, D, and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (collectively referred to as 'SEBI Listing Regulations') ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2022. This report is required by the Company for annual submission to the Stock Exchanges and to be sent to the Shareholders of the Company.

Management Responsibility:

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, issued by the Securities and Exchange Board of India.

Our Responsibility:

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Listing Regulations for the year ended March 31, 2022.

Opinion:

Based on the procedures performed by us as referred above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, as applicable for the year ended March 31, 2022.

Other Matters and Restriction on use:

This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For VAPN & Associates

Practicing Company Secretaries
ICSI Unique Code: P2015DE045500
Peer Review Certificate No.975/2020

Ashok

Partner
ACS No: 55136 | COP No: 20599
ICSI UDIN: A055136D000823244
Date: August 22, 2022
Place: New Delhi

Corporate Governance Report (Contd.)

ANNEXURE 3

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members
Delhivery Limited
(formerly known as "Delhivery Private Limited")
CIN: L63090DL2011PLC221234

Registered Office: N24-N34, S24-S34, Air Cargo Logistics Centre-II,
Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037
Corporate Office: Plot No.-5 Sector-44 Gurugram, Haryana 122002.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Delhivery Limited** [formerly known as "**Delhivery Private Limited**"] having **CIN: L63090DL2011PLC221234** and having registered office at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037 (hereinafter referred to as '**the Company**'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Companies Act, 2013.

Ensuring the eligibility for appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Director's Identification Number (DIN) status at the portal of Ministry of Corporate Affairs (www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the financial year ended March 31, 2022, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

| Sr. No. | Name of Director | Director Identification Number (DIN) | Date of Appointment in Company* |
|---------|-------------------------------|--------------------------------------|---------------------------------|
| 1 | Mr. Deepak Kapoor | 00162957 | 22/11/2017 |
| 2 | Mr. Srivatsan Rajan | 00754512 | 01/03/2016 |
| 3 | Mr. Romesh Sobti | 00031034 | 01/10/2021 |
| 4 | Mr. Saugata Gupta | 05251806 | 01/10/2021 |
| 5 | Ms. Kalpana Jaisingh Morparia | 00046081 | 13/10/2021 |
| 6 | Mr. Sahil Barua | 05131571 | 19/12/2011 |
| 7 | Mr. Sandeep Kumar Barasia | 01432123 | 01/07/2015 |
| 8 | Mr. Kapil Bharati | 02227607 | 19/08/2021 |
| 9 | Mr. Suvir Suren Sujan | 01173669 | 09/09/2014 |
| 10 | Mr. Agus Tandiono | 08577542 | 28/11/2019 |
| 11 | Mr. Munish Ravinder Varma | 02442753 | 07/03/2019 |
| 12 | Mr. Donald Francis Collieran | 09431299 | 24/12/2021 |

* The date of appointment is as per the MCA Portal.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the financial year ended March 31, 2022.

For VAPN & Associates

Practicing Company Secretaries
ICSI Unique Code: P2015DE045500
Peer Review Certificate No.975/2020

Ashok

Partner
ACS No: 55136 | COP No: 20599
ICSI UDIN: A055136D000823244
Date: August 22, 2022
Place: New Delhi

ANNEXURE 4

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION UNDER REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors,
Delhivery Limited
(formerly known as Delhivery Private Limited)

We, Sahil Barua, Managing Director & Chief Executive Officer and Amit Agarwal, Chief Financial Officer of Delhivery Limited, pursuant to the requirement of Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our knowledge and belief, hereby certify that:-

- A) We have reviewed Financial Statements and the Cash Flow Statement for the Financial Year ended March 31, 2022 and that to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended March 31, 2022 which are fraudulent, illegal or violative of the Company's Code of Conduct.

- C) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D) We have indicated to the Auditors and the Audit Committee:
- (i) significant changes in internal control over financial reporting during the Financial Year ended March 31, 2022;
 - (ii) significant changes in accounting policies during the said Financial Year and that the same have been disclosed in the notes to the Financial Statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 28, 2022
Place: Gurugram

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571

Amit Agarwal
Chief Financial Officer

Independent Auditor's Report

To the Board of Directors of Delhivery Limited (Formerly known as Delhivery Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Delhivery Limited (Formerly known as Delhivery Private Limited) ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or

our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Independent Auditor's Report (Contd.)

- iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 46 to the standalone financial statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 46 to the standalone financial statements, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend
- or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**
Partner
Membership Number: 094941
UDIN: 22094941AJXAEU3301
Place of Signature: New Delhi
Date: May 30, 2022

Annexure 1 to the Auditor's Report

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Delhivery Limited (Formerly known as Delhivery Private Limited) ("the Company")

- i. a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) All Property, Plant and Equipment were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements are held in the name of the Company except 9 immovable properties as indicated in the below mentioned cases as at March 31, 2022 for which title deeds were not available with the Company and hence we are unable to comment on the same:

| Description of Property | Gross carrying value | Held in name of | Whether promoter, director or their relative or employee | Period held – indicate range, where appropriate | Reason for not being held in the name of Company* |
|--|----------------------|---|--|---|---|
| Mather Square, Cochin | 52,50,000 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |
| Ravipuram, Cochin | 1,31,85,000 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |
| Sardar Patel Nagar, Ellisbridge, Ahmedabad | 82,00,000 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |
| G.T. Road, Ludhiana | 16,70,000 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |
| Metta Nagar, Tamil Nadu | 21,26,446 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |
| Ramnagar, Tirupur | 13,01,475 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |
| Atur House ,Pune | 1,92,00,000 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |
| Shops 47 & 48, Sagar Complex, Pune | 40,59,864 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |
| Shops 1,2 & 3, Sagar Complex, Pune | 69,37,600 | Fedex Express Transportation and Supply chain services (India)Private Limited | No | Acquired on December 4, 2021 | Administrative reasons |

- d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification. There was no inventory lying with third parties.
- b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. a) During the year the Company has provided loans to companies or any other parties as follows:

| | Loans (Amount in Millions) |
|--|----------------------------|
| Aggregate amount granted during the year | |
| - Subsidiaries | 2,177 |
| - Others | 70 |
| Balance outstanding as at balance sheet date in respect of above cases | |
| - Subsidiaries | 2,948 |
| - Others | 69 |

Annexure 1 to the Auditor's Report (Contd.)

- b) During the year the investments made and the terms and conditions of the grant of all loans to companies or any other parties are not prejudicial to the Company's interest.
- c) The Company has granted loans during the year to companies or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. Further, in respect of loan granted to companies or any other parties, the schedule of repayment of principal and payment of interest has not been stipulated in the agreement. Hence, we are unable to make a specific comment on the regularity of repayment of principal and payment of interest in respect of such loan.
- d) There are no amounts of loans granted to companies or any other parties which are overdue for more than ninety days.
- e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii. a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of professional tax (also refer note

19 to the standalone financial statements). As informed to us the provisions of excise duty are not applicable to the company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- b) The dues of income tax not been deposited on account of any dispute, are as follows:

| Name of the Statute | Nature of the Dues | Amount (₹) | Period to which the amount relates | Forum where dispute is pending |
|---------------------|--------------------|-------------|------------------------------------|--------------------------------|
| Income Tax Act 1961 | Income Tax | 341 Million | 2016-17 | CIT (Appeals) |

There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess, goods and service tax and other statutory dues which have not been deposited on account of any dispute.

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) Term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the

requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

- b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of shares respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.
- xi. a) No material fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities

without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

- c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 42 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Based upon the audit procedures performed and the information and explanations given by the management, provisions of section 135 of companies act 2013 does not applicable to the company. Accordingly, the provisions of clause 3 (xx) of the Order are not applicable to the Company and hence not commented upon.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AJXAEU3301
Place of Signature: New Delhi
Date: May 30, 2022

Annexure 2 to the Independent Auditor's Report

of even date on the standalone financial statements of Delhivery Limited (Formerly known as Delhivery Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Delhivery Limited (Formerly known as Delhivery Private Limited) ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial

controls with reference to standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**

Partner

Membership Number: 094941

UDIN: 22094941AJXAEU3301

Place of Signature: New Delhi

Date: May 30, 2022

Standalone Balance Sheet

as at March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Notes | March 31, 2022 | March 31, 2021 |
|--|-------|------------------|------------------|
| Assets | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 3 | 6,018.50 | 2,377.59 |
| Right-of-use assets | 33 | 6,854.61 | 7,828.12 |
| Capital work in progress | 3 | 584.19 | 765.26 |
| Goodwill | 4 | 163.88 | 163.88 |
| Other Intangible assets | 4 | 1,331.59 | 119.74 |
| Intangible assets under development | 4 | 14.99 | 2.40 |
| Financial assets | | | |
| i) Investments | 5 | 22,452.20 | 4,551.57 |
| ii) Other financial assets | 9 | 3,685.07 | 877.27 |
| Non-current tax assets (net) | 10 | 1,290.47 | 1,220.34 |
| Other non-current assets | 11 | 188.68 | 47.47 |
| Total Non-current Assets | | 42,584.18 | 17,953.64 |
| Current Assets | | | |
| Inventories | 6 | 253.06 | 258.77 |
| Financial assets | | | |
| i) Investments | 5 | 14,612.33 | 7,075.64 |
| ii) Trade receivables | 7 | 7,751.14 | 5,728.66 |
| iii) Cash and cash equivalent | 12 | 1,782.63 | 2,528.51 |
| iv) Other bank balances | 13 | - | 15.78 |
| v) Loans | 8 | 3,029.72 | 1,035.21 |
| vi) Other financial assets | 9 | 8,702.19 | 10,663.33 |
| Other current assets | 11 | 2,589.73 | 952.96 |
| Total Current Assets | | 38,720.80 | 28,258.86 |
| Total Assets | | 81,304.98 | 46,212.50 |
| Equity and Liabilities | | | |
| Equity | | | |
| Equity share capital | 14 | 642.11 | 16.33 |
| Instruments entirely equity in nature | 14 | - | 353.99 |
| Other equity | 15a | 60,929.35 | 28,604.06 |
| Total Equity | | 61,571.46 | 28,974.38 |
| Liabilities | | | |
| Non-current Liabilities | | | |
| Financial liabilities | | | |
| i) Borrowings | 16 | 1,139.43 | 1,316.10 |
| ii) Lease liabilities | 33 | 5,747.27 | 6,538.44 |
| Provisions | 18 | 300.20 | 213.60 |
| Total Non-current Liabilities | | 7,186.90 | 8,068.14 |
| Current Liabilities | | | |
| Financial liabilities | | | |
| i) Borrowings | 16 | 2,072.99 | 1,696.34 |
| ii) Lease liabilities | 33 | 1,592.41 | 1,617.16 |
| iii) Trade payables | 20 | | |
| (a) Total outstanding dues of micro and small enterprises | | 29.70 | 20.50 |
| (b) Total outstanding dues of creditors other than micro and small enterprises | | 6,695.55 | 4,113.94 |
| iv) Other financial liabilities | 17 | 1,321.36 | 1,281.49 |
| Provisions | 18 | 174.11 | 117.72 |
| Other current liabilities | 19 | 660.50 | 322.83 |
| Total Current Liabilities | | 12,546.62 | 9,169.98 |
| Total Liabilities | | 19,733.52 | 17,238.12 |
| Total Equity and Liabilities | | 81,304.98 | 46,212.50 |
| Summary of significant accounting policies | 2.2 | | |

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi
Date: May 30, 2022

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Amit Agarwal
Chief Financial Officer

Place: Gurugram
Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

Standalone Statement of Profit and loss

for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Notes | March 31, 2022 | March 31, 2021 |
|--|-------|-------------------|-------------------|
| Income | | | |
| Revenue from contracts with customers | 21 | 59,109.96 | 34,997.81 |
| Other income | 22 | 1,698.59 | 1,993.94 |
| Total Income (I) | | 60,808.55 | 36,991.75 |
| Expenses | | | |
| Freight, Handling and Servicing Costs | 23 | 41,677.60 | 26,276.66 |
| Purchase of traded goods | | 1,750.22 | 102.08 |
| Change in inventory of traded goods | 25 | (28.75) | - |
| Employee benefits expense | 24 | 11,774.62 | 5,553.08 |
| Fair value loss on financial liabilities at fair value through profit or loss | 16 | 2,997.39 | 91.95 |
| Finance costs | 28 | 938.91 | 885.48 |
| Depreciation and amortisation expense | 27 | 4,781.66 | 3,531.22 |
| Other expenses | 26 | 5,530.20 | 3,458.98 |
| Total Expenses (II) | | 69,421.85 | 39,899.45 |
| Loss before exceptional items and tax (III= I-II) | | (8,613.30) | (2,907.70) |
| Exceptional Items (IV) | 29 | (21.87) | (655.25) |
| Loss before tax (V= III+IV) | | (8,635.17) | (3,562.95) |
| Tax expense | | | |
| Current tax | | - | - |
| Deferred tax | | - | - |
| Total Tax Expense (VI) | | - | - |
| Loss for the year (VII= V+VI) | | (8,635.17) | (3,562.95) |
| Other comprehensive Income/(Loss): | | | |
| a) Items that will not be reclassified to statement of profit or loss in subsequent years: | | | |
| - Re-measurement gain on defined benefit plan | | 9.60 | 10.10 |
| - Income tax relating to items that will not be re-classified to profit and loss | | - | - |
| Subtotal (a) | | 9.60 | 10.10 |
| b) Items that will be reclassified to statement of profit or loss in subsequent years: | | | |
| - Exchange differences on translation of foreign operations | | 0.04 | (0.06) |
| - Income tax relating to items that will be re-classified to profit and loss | | - | - |
| Subtotal (b) | | 0.04 | (0.06) |
| Total Other Comprehensive Income for the year (VIII= a+b) | | 9.64 | 10.04 |
| Total Comprehensive Loss for the year (IX=VII+VIII) | | (8,625.53) | (3,552.91) |
| Loss per equity share | 30 | | |
| Basic | | (14.50) | (6.90) |
| Diluted | | (14.50) | (6.90) |
| Summary of significant accounting policies | 2.2 | | |

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi
Date: May 30, 2022

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Amit Agarwal
Chief Financial Officer

Place: Gurugram
Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

Standalone Cash Flow Statement

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | March 31, 2021 |
|--|--------------------|-----------------|
| A) Operating Activities | | |
| Loss before tax | (8,635.17) | (3,562.95) |
| Adjustment to reconcile loss before tax to net cash flows | | |
| Depreciation of property, plant and equipment | 2,356.76 | 1,566.33 |
| Amortization of intangible assets | 346.84 | 62.52 |
| Depreciation of right-of-use assets | 2,078.06 | 1,902.37 |
| Allowances for doubtful debts | 1,081.40 | 836.05 |
| Bad debt written off | 1.47 | 4.45 |
| Allowances for doubtful advances | 13.76 | 47.53 |
| Provision for diminution in value of non-current investments | 21.87 | 241.95 |
| Provision for doubtful debts | - | 413.30 |
| Share based payment expense | 2,895.15 | 462.49 |
| Interest expense | 215.71 | 198.45 |
| Interest on lease liability | 717.46 | 683.05 |
| Stamp duty | - | (2.58) |
| Fair value gain on Investment at fair value through profit or loss | (300.43) | (325.01) |
| Assets written off | 2.05 | - |
| Gain on modification / termination of lease contracts | (155.80) | (99.76) |
| Rent waiver on lease liabilities | - | (33.80) |
| Interest Income | (749.30) | (1,190.68) |
| Interest income on Unwinding of discount on security deposits paid | (109.33) | (105.63) |
| Net Gain on sale of current investments | (174.50) | (100.81) |
| Net Gain on sale of non-current investments | (22.50) | - |
| Fair value loss on financial liabilities at fair value through profit or loss | 2,997.39 | 91.95 |
| Profit on disposal of property, plant and equipment | - | (2.95) |
| Operating Profit before working capital changes | 2,580.89 | 1,086.27 |
| Movements in working capital: | | |
| Decrease/(Increase) in inventories | 5.71 | (80.45) |
| Increase in trade and other receivables | (3,105.36) | (550.40) |
| Increase in financial assets | (2,912.30) | (838.58) |
| Increase in other assets | (1,629.83) | (88.59) |
| Increase in loans | (1,994.51) | (968.44) |
| Increase in trade payables | 2,590.79 | 1,431.46 |
| Increase in other liabilities | 3.31 | 244.64 |
| Increase in provisions | 117.79 | 71.64 |
| Cash flow from/(used in) operations | (4,343.51) | 307.55 |
| Income taxes paid (net) | (70.13) | (172.98) |
| Net cash from/(used in) operating activities (A) | (4,413.64) | 134.57 |
| B) Investing Activities | | |
| Purchase of property, plant & equipment (including other intangible assets, capital work in progress and capital advances) | (5,337.97) | (2,141.69) |
| Proceeds from property, plant & equipment (including other intangible assets) | 37.10 | 23.71 |
| Asset acquisition through assets purchase agreement (refer note 36 (i) (a)) | (1,848.67) | - |
| Payment towards acquisition of business (refer note 36 (i) (c)) | - | (20.99) |
| Investment in associates (refer note 36.3) | (2,518.94) | - |
| Proceeds from sale of Investment in associates | 22.50 | - |
| Investment in subsidiaries | (15,507.21) | (912.12) |
| Proceeds from sale of financial assets - Liquid mutual fund units, debt instruments | 25,586.70 | 10,217.69 |
| Payment to acquire financial assets - Liquid mutual fund units, debt instruments | (32,252.52) | (9,196.60) |
| Maturity of bank deposits (having original maturity of more than 12 months) including margin money deposits | 9,653.32 | 2,484.66 |
| Investments in bank deposits (having original maturity of more than 12 months) including margin money deposits | (8,129.37) | (1,227.38) |
| Maturity of bank deposits (having original maturity of more than 3 months) | 15.78 | 2,870.84 |
| Interest received | 1,335.79 | 757.33 |
| Net cash from/(used in) investing activities (B) | (28,943.49) | 2,855.45 |

Standalone Cash Flow Statement

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | March 31, 2021 | | |
|---|-----------------------|-----------------------|-------------------------|-----------------------|
| C) Financing Activities | | | | |
| Proceeds from issuance of equity share capital (including stock options exercised) | 8,396.17 | 447.93 | | |
| Proceeds from issuance of compulsorily convertible preference shares | 956.22 | 92.88 | | |
| Proceeds from issuance of instruments entirely equity in nature | 25,501.56 | - | | |
| Proceeds from long term borrowings (net) | 221.57 | 323.57 | | |
| Interest paid | (214.38) | (205.19) | | |
| Payment of interest portion of lease liabilities | (717.46) | (683.05) | | |
| Payment of principal portion of lease liabilities | (1,694.67) | (1,435.59) | | |
| Repayments of short term borrowings | (842.29) | (500.00) | | |
| Proceeds from short term borrowings | 859.93 | 842.29 | | |
| Net cash From/(used in) financing activities (C) | 32,466.65 | (1,117.16) | | |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (890.48) | 1,872.86 | | |
| Cash and cash equivalents at beginning of the year | 2,528.51 | 655.65 | | |
| Cash and cash equivalents at end of the year (refer note 12) | 1,638.03 | 2,528.51 | | |
| Non Cash Financing Activities | March 31, 2022 | March 31, 2021 | | |
| Gain on modification / termination of lease contracts | (155.80) | (99.76) | | |
| Rent waiver on lease liabilities | - | (33.80) | | |
| Fair value loss on financial liability at fair value through profit and loss | 2,997.39 | 91.95 | | |
| Non-cash investing activities | March 31, 2022 | March 31, 2021 | | |
| Portion of market based measure of Spoton share-based payments scheme attributable to pre-combination service (refer note 36.2 (a)) | 106.74 | - | | |
| Provision for termination benefit (Employee actuarial liability) (refer note 36 (i) (a)) | 34.80 | - | | |
| Security Deposits (assets) (refer note 36 (i) (a)) | (19.20) | - | | |
| Reconciliation of liabilities arising from financing activities | | | | |
| Particulars | March 31, 2022 | Cash Flows | Non cash changes | March 31, 2021 |
| Long-term borrowings | 2,207.89 | 221.57 | 1.00 | 1,985.31 |
| Short-term borrowings | 859.93 | 17.64 | - | 842.29 |
| Lease Liabilities | 7,339.68 | (2,412.13) | 1,596.21 | 8,155.60 |
| Particulars | March 31, 2021 | Cash Flows | Non cash changes | March 31, 2020 |
| Long-term borrowings | 1,316.10 | (346.69) | - | 1,662.79 |
| Short-term borrowings | 1,696.34 | 790.97 | - | 905.37 |
| Lease Liabilities | 8,155.60 | (2,118.64) | 5,295.97 | 4,978.26 |

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number:

101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi

Date: May 30, 2022

For and on behalf of the board of directors of**Delivery Limited (formerly known as Delivery Private Limited)****Sandeep Kumar Barasia**
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram**Amit Agarwal**
Chief Financial Officer

Place: Gurugram

Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa**Sunil Kumar Bansal**
Company Secretary
FCS-4810

Place: Gurugram

Date: May 30, 2022

Standalone statement of changes in equity

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

A. Equity Share Capital (refer note 14)

| Equity shares of ₹ 1 each issued (March 31, 2021: ₹10 each, March 31, 2020: ₹10 each) fully paid | Number | Amounts |
|--|--------------------|---------------|
| At March 31, 2020 | 974,952 | 9.75 |
| Add: Issued during the year | 14,277 | 0.14 |
| Add: Converted from CCCPS during the year | 640,000 | 6.40 |
| Add: Issued during the year (₹1 per share paid up) | 38,701 | 0.04 |
| At March 31, 2021 | 1,667,930 | 16.33 |
| Add: Issued during the year (Including stock options exercised) | 21,509,326 | 23.08 |
| Add: Converted from CCCPS during the year (refer note 14 and 16) | 425,120,603 | 426.16 |
| Add: Bonus shares issued during the year | 17,618,927 | 176.19 |
| Add: Amount called up during the year | - | 0.35 |
| Add: Equity shares arising on shares split from ₹10 to ₹1 per share | 176,189,315 | - |
| At March 31, 2022 | 642,106,100 | 642.11 |
| Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹10/- each (Series A) issued, subscribed and fully paid | | |
| At March 31, 2020 | 291,667 | 2.92 |
| Add: Issued during the year | - | - |
| Less: Converted to equity during the year (refer note 14) | (291,667) | (2.92) |
| At March 31, 2021 | - | - |
| Add: Issued during the year | - | - |
| At March 31, 2022 | - | - |
| Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100 each (Series B, C, D, D1, E, F, H and I) issued, subscribed and fully paid | | |
| At March 31, 2020 | 3,888,068 | 388.81 |
| Add: Issued during the year | - | - |
| Less: Converted to equity during the year (refer note 14) | (348,333) | (34.82) |
| At March 31, 2021 | 3,539,735 | 353.99 |
| Add: Issued during the year | 710,310 | 71.01 |
| Less: Converted to equity during the year (refer note 14) | (4,250,045) | (425.00) |
| At March 31, 2022 | - | - |

Standalone statement of changes in equity

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Description | Attributable to the equity holders of the Company | | | Items of OCI | Total |
|---|---|--------------------|-----------------------------|--------------|------------------|
| | Reserves and Surplus | Securities premium | Share Based Payment Reserve | | |
| Balance as at April 01, 2021 | 74,307.02 | 1,958.24 | 91.19 | 2.33 | 28,604.06 |
| Loss for the year | - | - | - | - | (8,635.17) |
| Other comprehensive income/(loss) | - | - | - | - | 9.60 |
| - Re-measurement gains/(losses) on defined benefit plans | - | - | - | - | 0.04 |
| - Exchange differences on translating the financial statements of a foreign operation | 9.60 | - | - | 0.04 | 0.04 |
| Total comprehensive income/(loss) | - | - | - | 0.04 | (8,625.53) |
| Add: ESOPs exercised (Transferred ₹ 1,589.15 millions from share based payment reserve) | 1,863.89 | - | - | - | 1,863.89 |
| Add: Securities premium on equity shares issued during the year | 8,092.36 | - | - | - | 8,092.36 |
| Add Premium on conversion of preference share to equity share | 4,138.45 | - | - | - | 4,138.45 |
| Add: Securities premium on CCCPS issued during the year (series H and series I) | 25,599.70 | - | - | - | 25,599.70 |
| Less: Bonus share issued during the year | (176.19) | - | - | - | (176.19) |
| Less: Share issues expenses (Series H and I) | (169.17) | - | - | - | (169.17) |
| Less: Transferred to securities premium on exercise of stock options | - | (1,589.15) | - | - | (1,589.15) |
| Add: ESOP expenses on acquisition of subsidiary | - | 106.70 | - | - | 106.70 |
| Add: Share based payment expense | - | 2,895.15 | - | - | 2,895.15 |
| Add: Employee stock option allocated to subsidiary companies | - | 189.07 | - | - | 189.07 |
| Balance as at March 31, 2022 | 113,656.06 | 3,560.01 | 91.19 | 2.37 | 60,929.34 |

B. Other Equity (refer note 15) For the year ended March 31, 2022

Standalone Statement of changes in equity

for year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Description | Attributable to the equity holders of the Company | | | | Items of OCI | | Total |
|--|---|-----------------------------|--------------------|--------------------------------------|---|-------------------|-------|
| | Securities premium | Share Based Payment Reserve | Retained earnings | Business Transfer Adjustment Reserve | Exchange differences on translating the financial statements of a foreign operation | | |
| Balance as at April 01, 2020 | 74,069.76 | 1,344.99 | (44,201.86) | - | 2.39 | 31,215.28 | |
| Loss for the year | - | - | (3,562.95) | - | - | (3,562.95) | |
| Other comprehensive income/(loss) | | | | | | | |
| - Re-measurement gains/(losses) on defined benefit plans | - | - | 10.10 | - | - | 10.10 | |
| - Exchange differences on translating the financial statements of a foreign operation | - | - | - | - | (0.06) | (0.06) | |
| Total comprehensive income/(loss) | - | - | (3,552.85) | - | (0.06) | (3,552.92) | |
| Add: ESOPs exercised (transferred ₹1,589.14 millions from share based payment reserve) | 128.87 | - | - | - | - | 128.87 | |
| Add: Securities premium on equity shares issued during the year | 77.36 | - | - | - | - | 77.36 | |
| Add: Premium on conversion of preference share to equity share | 31.42 | - | - | - | - | 31.42 | |
| Less: Transferred to securities premium on exercise of stock options | - | (109.87) | - | - | - | (109.87) | |
| Less: Share issues Expenses | (0.39) | - | - | - | - | (0.39) | |
| Add: Share based payment expense | - | 462.49 | - | - | - | 462.49 | |
| Add: Employee stock option allocated to subsidiary companies | - | 260.63 | - | - | - | 260.63 | |
| Add: Net gain on sale of business segment | - | - | - | 91.19 | - | 91.19 | |
| Balance as at March 31, 2021 | 74,307.02 | 1,958.24 | (47,754.72) | 91.19 | 2.33 | 28,604.05 | |
| Summary of significant accounting policies | 2.2 | | | | | | |

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi
Date: May 30, 2022

For and on behalf of the board of directors of Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Amit Agarwal
Chief Financial Officer

Place: Gurugram
Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

1. Corporate Information

Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred to as "The Company" or "DELHIVERY"), was incorporated as SSN Logistics Private Limited on 22nd Day of June 2011 under the provisions of the Companies Act, 1956. The company changed its name to Delhivery Private Limited as of 8th Day of December 2015. The registered office of the company is located at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi-110037.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 29, 2021 and consequently the name of the Company has changed to Delhivery Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on October 12, 2021.

The Company is engaged in the business of warehousing and last mile logistics and also involved in designing and deploying logistics management systems, provide logistics and supply chain consulting/advice, provide inbound/procurement support and other activities of a similar nature.

The financial statements for the year ended March 31, 2022, were approved by the Board of Directors and authorized for issue on May 30, 2022.

2.1 Basis of preparation

These financial statements have been prepared in accordance with the requirements of Indian Accounting Standard 34 specified under section 133 of the Companies Act 2013 ("the Act"), read with of the Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

These financial statements have been prepared under the historical cost convention on the accrual basis except certain financial instrument which are measured at fair values, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest millions (as per the requirement of Schedule III), unless otherwise stated.

2.2 Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with the principles of Ind AS requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

b) Business combination and goodwill

Business combinations are accounted for using the acquisition method.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisition method

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The excess of the

- (i) consideration transferred;
- (ii) amount of any non-controlling interest in the acquired entity, and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Companies cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in the statement of profit and loss or other comprehensive income, as appropriate.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Foreign currencies

The Company's financial statements are presented in INR. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency is the currency of the primary economic environment in which the entities forming part of Company operates and is normally the currency in which the entities forming part of Company primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the company uses an average rate if the average approximates the exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Exchange differences arising on settlement or translation of monetary items are recognised in profit and loss with the exception of the following:

- i) In the financial statements that include the foreign operation and the reporting entity (e.g., financial statements when the foreign operation is a branch), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit and loss on disposal of the net investment.
- ii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign branches

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the company uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz., 01 April 2016. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date

e) Fair value measurement

The Company measures financial instruments such as Investment in cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments at fair value at each balance sheet date

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the

measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments at fair value. The team comprises of the Chief Financial Officer (CFO) and Finance Controller.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided on the basis of nature of transaction and complexity involved. Selection criteria include market

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

f) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit and loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 01 April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on all property plant and equipment are provided on a written down value based on the estimated useful life of the asset, which is as follows:

| Property, plant and equipment | Useful lives as per Schedule II | Useful lives estimated by management |
|-------------------------------|---------------------------------|--------------------------------------|
| Computer | 3 years | 3 years |
| Computer Server | 6 years | 6 years |
| Office equipment | 5 years | 3-5 years |
| Furniture & Fittings | 10 years | 5 years |
| Vehicles | 8 years | 3.86 years |
| Plant and Machinery | 10 years | 5 years |

Leasehold are amortised over five years or life based on lease period.

The useful life of vehicles, furniture and fittings, computers, plant and machinery are estimated as 3.86, 5 and 5 years respectively. These lives are lower than those indicated in schedule II to Companies Act 2013.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives based on management's technical assessment of their respective economic useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

g) Intangible assets

Intangible assets (mainly includes software and trade marks) acquired separately are measured on initial recognition at cost. The amortisation period and the amortisation method for an Intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

IT Softwares and Trademarks are to be depreciated 5 years as its useful life.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets acquired in business combination, include non-compete and customer relationship which are amortized over the period of five years on written down value basis

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

h) Leases

On initial application of Ind AS 116, the Company has taken the cumulative adjustment to retained earning and Lease equalization reserve, consequently the Company discounted using the Company's incremental borrowing rate at 01 April 2019 whereas the Company has elected to measure ROU at its carrying amount as if Ind AS 116 had been applied since the lease commencement date, but discounted using the Company's incremental borrowing rate at 01 April 2019.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

"If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (r) Impairment of non-financial assets."

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease,

if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short term leases

The Company applies the short-term lease recognition exemption to its properties (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

i) Inventories

Inventories are valued at lower of cost and net realisable value. Inventory primarily consist of packing material and consumables.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

j) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customers.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 30 of standalone financial statements.

Performance obligation

At contract inception, the Company assess the goods and services promised in contracts with customers and identifies various performance obligations to provide distinct goods and services to the customers.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The Company has determined following distinct goods and services that represent its primary performance obligation.

The transaction price of goods sold and services rendered is net of variable consideration on account of various elements like discounts etc. offered by the company as part of the contract

Delivery services includes:

- Revenue from Express Parcel Services
- Revenue from Part Truck Load Services (PTL)
- Revenue from Truck Load Services (TL)
- Revenue from cross – border services

Revenue from these services are recognized over the period as they are satisfied over the contract term, which generally represents the transit period including the incomplete trips at the reporting date. The transit period can vary based upon the method of transport, generally a couple days for over the road, rail, and air transportation, or several weeks in the case of an ocean shipment. Company also provide certain ancillary logistics services, such as handling of goods, customs clearance services etc. The service period for these services is usually for a very short duration, generally few days or weeks. Hence, revenue from these services is recognised over the service period as the Company perform the primary obligation of delivery of goods.

Other allied services includes:/

- Revenue from supply chain services

Revenue from these services are recognised over time as the customer simultaneously avails the benefits of these services. Hence, the revenue from such services is recognised on a monthly basis, basis the amount fixed as per the agreements.

The Company collects Goods & Service Tax (GST) GST on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customers (if any).

Dividend

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

Interest

Interest income is recognized when it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Contract balances

The Policy for Contract balances i.e. contract assets, trade receivables and contract liabilities is as follows:

Contract assets

A contract asset is the right to receive consideration in exchange for services already transferred to the customer (which consist of unbilled revenue). By transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is unconditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to deliver services to a customer for which the Company has received consideration or part thereof (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company deliver services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund and social security is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund/social security. The Company recognizes contribution payable to the provident fund scheme/ social security scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

Past service costs are recognised in profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company also operates a leave encashment plan. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

l) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws

used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss,
- In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss,

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

- ii) In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

m) Share based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits

expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

o) Earning per share

Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity and preference shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions and Contingent liabilities

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii) Contingent liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, or is a present obligation that arises from past event but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised.

iii) Decommissioning liability

The Company records a provision for decommissioning costs of leasehold premises. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurements

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets carried at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss.

Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial assets instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, with net

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

changes in fair value recognised in statement of profit and loss

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and bank balance
- ii) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance

based on lifetime ECLs at each reporting date, right from its initial recognition.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include Compulsorily Convertible Preference Shares, trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading or financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit and loss

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit

and loss. The company has designated CCPS to be measured at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r) Impairment of non-financial assets

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Companies of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Impairment losses are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

This change aligns the entity's accounting policy with the general industry practice, thereby enhancing the comparability of the entity's financial statements with those of other market participants within the industry. This voluntary change in accounting policy has been disclosed by changing the presentation of comparative information for the preceding period. The change in accounting policy has impacted the financial statements as follows:

| Statement of profit and Loss | March 31, 2022 (without considering the effect of change in accounting policy) | Increase/ (decrease) due to change in accounting policy | March 31, 2022 (after considering the effect of change in accounting policy) | March 31, 2021 (as previously reported) | Increase/ (decrease) due to change in accounting policy | March 31, 2021 (restated) |
|---------------------------------------|--|---|--|---|---|---------------------------|
| Other Income | 839.96 | 858.63 | 1,698.59 | 697.64 | 1,296.30 | 1,993.94 |
| Finance Income | 858.63 | (858.63) | - | 1,296.30 | (1,296.30) | - |
| Finance cost | 4,781.66 | - | 4,781.66 | 3,531.22 | - | 3,531.22 |
| Depreciation and amortisation expense | 5,530.20 | - | 5,530.20 | 3,458.98 | - | 3,458.98 |
| EBITDA | (3,571.36) | 3,571.36 | - | 212.70 | (212.70) | - |

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the company's cash management.

u) Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognized and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

2.3 Change in accounting policies and disclosures

Change in EBITDA Policy

Up-to financial year ended March 31, 2021, the entity was disclosing (Earnings before interest, tax, depreciation, and amortisation) (EBITDA) as a separate line item on the face of statement of profit and loss. Effective financial ended March 31, 2022, the company has omitted the disclosure of EBITDA.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The change in accounting policy had no impact on previously reported financial position and cash flows from operating, investing and financing activities.

New and amended standard

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank

offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind

AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Company.

(iii) Ind AS 116: COVID-19 related rent concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Company for year ended March 31, 2022.

(iv) Amendments to Ind AS 103 Business Combinations

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Company.

(v) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Company.

(vi) Amendment to Schedule III

The Company has considered the amendments to Schedule III of the Companies Act 2013 notified by Ministry of Corporate Affairs ("MCA") via notification dated March 24, 2021, in the Standalone Financial Statements disclosures, wherever applicable.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Computers/ Servers | Office Equipment | Furniture and Fixtures | Vehicles* | Plant and Equipment | Leasehold Improvements | Land and Building (refer note 1) | Total | Capital work in progress |
|---|--------------------|------------------|------------------------|-----------|---------------------|------------------------|----------------------------------|-----------|--------------------------|
| Gross carrying value | | | | | | | | | |
| At April 01, 2020 | 607.26 | 1,376.59 | 1,168.29 | 514.27 | 961.38 | 1,015.60 | - | 5,643.39 | 267.23 |
| At April 01, 2020 | 607.26 | 1,376.59 | 1,168.29 | 514.27 | 961.38 | 1,015.60 | - | 5,643.39 | 267.23 |
| Additions | 179.25 | 462.89 | 314.58 | 70.84 | 155.09 | 426.69 | - | 1,609.34 | 517.99 |
| Disposals/ capitalised during the year | (61.83) | (30.69) | (29.70) | (14.88) | - | (29.33) | - | (166.43) | (19.96) |
| At March 31, 2021 | 724.68 | 1,808.79 | 1,453.17 | 570.23 | 1,116.47 | 1,412.96 | - | 7,086.30 | 765.26 |
| At April 01, 2021 | 724.68 | 1,808.79 | 1,453.17 | 570.23 | 1,116.47 | 1,412.96 | - | 7,086.30 | 765.26 |
| Asset Acquired through assets purchase agreement (refer note 36 (i) (a))* | 28.19 | 104.30 | 9.78 | 216.19 | 4.59 | 44.48 | 61.93 | 469.46 | - |
| Additions | 551.42 | 1,069.35 | 886.47 | 960.73 | 1,371.80 | 729.18 | - | 5,568.95 | 598.74 |
| Disposals/ capitalised during the year | (99.46) | (134.83) | (100.06) | (5.36) | (27.44) | (24.08) | - | (391.23) | (779.81) |
| At March 31, 2022 | 1,204.83 | 2,847.61 | 2,249.36 | 1,741.79 | 2,465.42 | 2,162.54 | 61.93 | 12,733.48 | 584.19 |
| Accumulated depreciation | | | | | | | | | |
| At April 01, 2020 | 415.32 | 739.87 | 707.04 | 240.48 | 551.90 | 631.09 | - | 3,285.71 | |
| At April 01, 2020 | 415.32 | 739.87 | 707.04 | 240.48 | 551.90 | 631.09 | - | 3,285.71 | |
| Charge for the year | 174.22 | 420.73 | 315.11 | 183.23 | 221.80 | 251.24 | - | 1,566.33 | |
| Disposals | (56.88) | (25.21) | (24.46) | (14.88) | - | (21.90) | - | (143.33) | |
| At March 31, 2021 | 532.66 | 1,135.39 | 997.69 | 408.83 | 773.70 | 860.43 | - | 4,708.71 | |
| At April 01, 2021 | 532.66 | 1,135.39 | 997.69 | 408.83 | 773.70 | 860.43 | - | 4,708.71 | |
| Charge for the year | 256.14 | 548.12 | 369.37 | 278.28 | 526.29 | 378.56 | - | 2,356.76 | |
| Disposals | (92.82) | (114.71) | (95.55) | (5.09) | (25.71) | (16.61) | - | (350.49) | |
| At March 31, 2022 | 695.98 | 1,568.80 | 1,271.51 | 682.02 | 1,274.28 | 1,222.38 | - | 6,714.98 | |
| Net block | | | | | | | | | |
| Balance as on March 31, 2022 | 508.85 | 1,278.81 | 977.85 | 1,059.77 | 1,191.14 | 940.16 | 61.93 | 6,018.50 | |
| Balance as on March 31, 2021 | 192.02 | 673.40 | 455.48 | 161.40 | 342.77 | 552.53 | - | 2,377.59 | |

*Vehicles under loan contracts as at March 31, 2022 were ₹1,522.22 millions (March 31, 2021: ₹561.30 millions). Additions during the year ended March 31, 2022 is ₹960.92 millions (March 31, 2021: ₹70.84 millions). Loans assets are hypothecated as security for the related loan.

Note 1: Title deeds of immovable Property not held in the name of the Company

| Relevant line item in the Balance Sheet | Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|---|---------------------------------|----------------------|--|--|--------------------------------|--|
| Property, plant and equipment | Land and Building | 61.93 | Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') | No | December 06, 2021 | Refer note below * |

* The tangible assets pertaining to the overall asset acquisition of Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') are in the course of transfer from Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') to Delhivery Limited (formerly known as Delhivery Private Limited) and the said transfer shall be duly completed before September 30, 2022.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

3a. Capital work in progress (Ageing schedule)

| Particulars | Less than 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
|--------------------------------|------------------|----------|----------|-------------------|--------|
| As at March 31, 2022 | | | | | |
| Projects in progress | 583.64 | 0.55 | - | - | 584.19 |
| Projects temporarily suspended | - | - | - | - | - |
| As at March 31, 2021 | | | | | |
| Projects in progress | 514.02 | 251.24 | - | - | 765.26 |
| Projects temporarily suspended | - | - | - | - | - |

4. Other intangible assets and Goodwill

| Particulars | Software | Customer relationships | Non - compete | Others* | Total | Goodwill ** | Intangible assets under development |
|---|---------------|------------------------|---------------|---------------|-----------------|---------------|-------------------------------------|
| Gross carrying value | | | | | | | |
| At April 01, 2020 | 176.69 | 61.10 | 1.70 | - | 239.49 | 163.80 | - |
| At April 01, 2020 | 176.69 | 61.10 | 1.70 | - | 239.49 | 163.80 | - |
| Asset acquired on acquisition of business (refer note 36(i)(c)) | 20.99 | - | - | - | 20.99 | 0.08 | - |
| Additions | 67.41 | - | - | - | 67.41 | - | 2.40 |
| Disposals | (0.82) | - | - | - | (0.82) | - | - |
| At March 31, 2021 | 264.27 | 61.10 | 1.70 | - | 327.07 | 163.88 | 2.40 |
| At April 01, 2021 | 264.27 | 61.10 | 1.70 | - | 327.07 | 163.88 | 2.40 |
| Asset Acquired through assets purchase agreement (refer note 36 (i)(a)) | 0.42 | 488.87 | 180.61 | 724.90 | 1,394.80 | - | - |
| Additions | 164.25 | - | - | - | 164.25 | - | 20.29 |
| Disposals | (7.17) | - | - | - | (7.17) | - | (7.70) |
| At March 31, 2022 | 421.77 | 549.97 | 182.31 | 724.90 | 1,878.95 | 163.88 | 14.99 |
| Accumulated amortization | | | | | | | |
| At April 01, 2020 | 106.61 | 37.95 | 1.06 | - | 145.62 | - | - |
| At April 01, 2020 | 106.61 | 37.95 | 1.06 | - | 145.62 | - | - |
| Charge for the year | 48.14 | 13.91 | 0.47 | - | 62.52 | - | - |
| Disposals | (0.82) | - | - | - | (0.82) | - | - |
| At March 31, 2021 | 153.93 | 51.86 | 1.53 | - | 207.32 | - | - |
| At April 01, 2021 | 153.93 | 51.86 | 1.53 | - | 207.32 | - | - |
| Charge for the year | 74.45 | 99.05 | 34.70 | 138.64 | 346.84 | - | - |
| Disposals | (6.80) | - | - | - | (6.80) | - | - |
| At March 31, 2022 | 221.58 | 150.91 | 36.23 | 138.64 | 547.36 | - | - |
| Net Block | | | | | | | |
| Balance as on March 31, 2022 | 200.19 | 399.06 | 146.08 | 586.26 | 1,331.59 | 163.88 | 14.99 |
| Balance as on March 31, 2021 | 110.34 | 9.24 | 0.17 | - | 119.74 | 163.88 | 2.40 |

* Above balance of ₹724.90 Millions includes amount of Cross Border Franchise Agreement - imports of ₹391.80 Millions and Cross Border Franchise Agreement - exports of ₹333.10 Millions.

** The Company performs test for goodwill impairment at least annually on March 31, or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilize various assumptions, including operating results, business plans and projections of future cash flows. Any adverse changes in key assumptions about our businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of fair value and could result in an impairment charge.

The recoverable amounts of CGUs are based on value-in-use, which are determined based on five year business plans that have been approved by management for internal purposes. The said planning horizon reflects the assumptions for short-to-mid term market developments. Considering this and the consistent use of such robust five-year information for management reporting purposes, the company uses five-year plans for the purpose of impairment testing. Management believes that this planning horizon reflects the assumptions for the expected performance in the markets in which the Company operates. Management has done impairment analysis as on March 31, 2022 and did not find any impairment indicators.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Assumptions considered while performing goodwill impairment testing are as follows:

| | |
|----------------------|--|
| EBITDA | The EBITDA margins have been estimated based on past experience after considering the impact of incremental revenue and synergies benefits that the company will get in future due to increase in process efficiencies. Margins will be positively impacted from the efficiencies, growth in top line and cost rationalisation / others initiatives driven by the company; |
| Discount Rate | Discount rate reflects the current market assessment of the risks specific to a CGU based on the weighted average cost of capital for respective CGU. Pre-tax discount rates used are 20.73% for the year ended March 31, 2022 (March 31, 2021:18.15%). |
| Growth rates | The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal/ external sources of information. The average terminal growth rate used in extrapolating cash flows beyond the planning period is 5% for March 31, 2022 and for March 31, 2021 . |
| Capital Expenditures | The cash flow forecasts of capital expenditure are based on experience after considering the additional capital expenditure required to meet the business growth. |

5. Financial assets - Investments

| Particulars | Non-Current | | Current | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Investments at Cost | | | | |
| Investments in Unquoted equity and preference instruments (fully paid) | | | | |
| (i) Investment in subsidiaries | | | | |
| Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited) | - | - | - | - |
| 5,510,000 (March 31, 2021: 5,510,000) equity shares of ₹10 each | | | | |
| Delhivery Corp Limited, London , United Kingdom | - | - | - | - |
| 2,269,165 (March 31, 2021: 1,650,165) equity shares of 1 GBP each | | | | |
| Delhivery HK Pte Limited, Honk Kong | 19.93 | 19.93 | - | - |
| 2,209,446 (March 31, 2021: 2,209,446) equity share of 1 HKD each | | | | |
| Delhivery USA LLC, USA | 493.54 | 267.78 | - | - |
| 6,631,060 (March 31, 2021: 3,631,060) equity shares of USD 1 each | | | | |
| Orion Supply Chain Private Limited | 0.10 | 0.10 | - | - |
| 10,000 (March 31, 2021: 10,000) equity shares of ₹10 each | | | | |
| Delhivery Freight Services Pvt. Ltd | 0.10 | 0.10 | - | - |
| 10,000 (March 31, 2021: 10,000) equity shares of ₹10 each | | | | |
| Spoton Logistics Private Limited | 15,216.52 | - | - | - |
| 20,641,094 (March 31, 2021: Nil) equity shares of ₹10 each | | | | |
| Delhivery Singapore Pte. Ltd | 147.42 | - | - | - |
| 2,000,000 (March 31, 2021: Nil) equity shares of USD 1 each | | | | |
| (ii) Investments in Associates | | | | |
| Leucon Technology Private Limited | - | - | - | - |
| Nil (March 31, 2021: 5) equity shares of Nil each (March 31, 2021 : 19,322.00 (includes security premium of ₹19,316.60)) | | | | |
| Leucon Technology Private Limited | - | - | - | - |
| Nil (March 31, 2021: 4,653) preference shares of Nil each (March 31, 2021 of Rs 19,312.00 (includes security premium of ₹19,316.60)) | | | | |
| FALCON AUTOTECH Private Limited | 2,518.94 | - | - | - |
| 609,539 (March 31, 2021: Nil) equity shares of ₹10 each (include security premium of ₹41,315 per share) | | | | |
| (iii) Contribution by Parent Entity | | | | |
| Investment in Delhivery Freight Services Pvt. Ltd | 81.73 | 20.41 | - | - |
| Investment in Delhivery USA LLC, USA | 74.84 | 38.91 | - | - |
| Investment in Spoton Logistics Private Limited | 75.23 | - | - | - |
| Investment in Orion Supply Chain Private Limited | 0.24 | - | - | - |
| Investment in Delhivery Robotics LLC | 15.22 | - | - | - |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Non-Current | | Current | |
|---|------------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| (iv) Investments at fair value through Profit & Loss | | | | |
| Other Investments | | | | |
| Investment in equity instruments | | | | |
| Leapmile Logistics Private Limited | - | - | - | - |
| 100 (March 31, 2021: 100) equity shares of ₹8,836.14 each (includes securities premium of ₹8,835.14) each fully paid up | | | | |
| Moonshots Internet Private Limited | - | - | - | - |
| 100 (March 31, 2021: 100) equity shares of ₹7,494.40 (includes security premium of ₹7,493.40) each fully paid up | | | | |
| NAXR Logistics Private Limited | - | - | - | - |
| 2,000 (March 31, 2021: 2,000) equity shares of ₹10 each (includes security premium of ₹0.1 millions) each fully paid up | | | | |
| Investment in preference instruments | | | | |
| Leapmile Logistics Private Limited | - | - | - | - |
| 3,472 (March 31, 2021: 3,472) preference shares of ₹8,836.14 (includes security premium of ₹8,835.14) each fully paid up | | | | |
| Moonshots Internet Private Limited | - | - | - | - |
| 31,924 (March 31, 2021: 31,924) preference shares of ₹7,494.40 (includes security premium of ₹7,493.40) each fully paid up | | | | |
| NAXR Logistics Private Limited | - | - | - | - |
| 105 (March 31, 2021: 105) preference shares of ₹10 each (includes security premium of ₹14,235) each fully paid up | | | | |
| NAXR Logistics Private Limited | - | - | - | - |
| 3,007 (March 31, 2021: 3,007) preference shares of ₹10 each (includes security premium of ₹0.05 millions) each fully paid up | | | | |
| Total (A = i+ii+iii+iv) | 18,643.81 | 347.23 | - | - |
| (v) Investments at fair value through Profit & Loss | | | | |
| Perpetual Bond (Quoted) | | | | |
| 500 (March 31, 2021: 500) 9.45% State Bank Of India Series III Bd Perpetual of ₹1,071,393 (March 31, 2021: ₹1,035,473) | 535.70 | 517.74 | - | - |
| Nil (March 31, 2021: 250) units of Export Import Bank of India of Nil (March 31, 2021: ₹1,016,796) each | - | 254.20 | - | - |
| 250 (March 31, 2021: 250) 9.90% Icici Bank Limited Sr Dde18At 9.90 Bd Perpetual (31-Dec-2099) of ₹1,057,390 (March 31, 2021: ₹1,007,413) | 264.35 | 258.97 | - | - |
| 500 (March 31, 2021: 500) 8.85% Hdfe Bank Basel iii Perpetual Bonds Series 1/2017-18 (12-May-2060) of ₹999,733 (March 31, 2021: ₹1,019,388) | 499.87 | 509.69 | - | - |
| Bonds(Quoted) | | | | |
| Nil (March 31, 2021: 200) 6.99% Rec Limited SR 193 6.99 BD 31DC21 Fvrs10LAC of Nil (March 31, 2021: ₹1,020,864) | - | - | - | 204.17 |
| 400 (March 31, 2021: 400) 7.09% Rec Limited Series 185 BD 13DC22 Fvrs10LAC of ₹1,012,009 (March 31,2021: ₹1,031,576) | - | 412.63 | 404.80 | - |
| 100 (March 31, 2021: 100) 7.24% Rec Limited Series 187 BD 31DC22 Fvrs10LAC of ₹1,017,783 (March 31, 2021: ₹1,038,212) | - | 103.82 | 101.78 | - |
| 200 (March 31, 2021: 200) 7.35% Power Finance Corporation Ltd. Series 191 BD 15OT22 Fvrs10LAC of ₹1,013,224 (March 31, 2021: ₹1,035,969) | - | 207.19 | 202.64 | - |
| 250 (March 31, 2021: 250) 9.02% Rec Bonds 22/11/2022 of ₹1,058,576.13 (March 31, 2021: ₹1,094,999) | - | 273.75 | 264.64 | - |
| 7,360,000 (March 31, 2021: Nil) Nippon India ETF Nifty CPSE Bond Plus SDL 2024 of ₹108.27 (March 31, 2021: Nil) | 796.87 | - | - | - |
| 11,000,000 (March 31, 2021: Nil) Nippon India ETF Nifty CPSE Bond Plus SDL 2026 of ₹106.90 (March 31, 2021: Nil) | 1,175.90 | - | - | - |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Non-Current | | Current | |
|---|------------------|-----------------|------------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Non Convertible Debentures (Quoted) | | | | |
| Nil (March 31, 2021: 750) 8.63% Kotak Mahindra Investments Limited Sr008 Ncd 29Jul21 Fvrs ₹ 1,000,000 (29-Jul-2021) of NIL (March 31, 2021: ₹1,073,533) | - | - | - | 805.15 |
| Nil (March 31, 2021: 500) 8.30% Tata Capital Financial Services Limited Sr Ncd 04Ju21 of Nil (March 31, 2021: ₹1,007,423) | - | - | - | 503.71 |
| Nil (March 31, 2021: 500,000) 8.80% Tata Capital Financial Services Limited Sr I Cat Iii&lv 8.8 Ncd of Nil (March 31, 2021: ₹1,020) | - | - | - | 510.22 |
| 500 (March 31, 2021: 500) 9.45% State Bank Of India NCD FV10Lac 22 Mar 2030 (22-Mar-2030) of ₹1,071,393 (March 31, 2021: ₹1,035,473) | 535.70 | 517.74 | - | - |
| Nil (March 31, 2021: 250) SIKKA PORTS & TERMINALS LIMITED 8.45 NCD 12JU23 FVRS10LAC LOA UPTO 10SP13 (12-Jun-2023) of Nil (March 31, 2021: ₹1,061,286) | - | 265.32 | - | - |
| Nil (March 31, 2021: 400) R.I.L. PPD-13 8 NCD 16AP23 FVRS10LAC LOAUPTO19AG18 of Nil (March 31, 2021: ₹1,136,338) | - | 454.54 | - | - |
| Nil (March 31, 2021: 400) NABARD SR 20K 6.40 LOA 31JL23 FVRS10LAC of Nil (March 31, 2021: ₹1,071,882) | - | 428.75 | - | - |
| Mutual fund (Quoted) | | | | |
| 1,002,320.18 (March 31, 2021: Nil) units of ICICI PRUDENTIAL MONEY MARKET FUND of ₹306.89 (March 31, 2021: Nil) | - | - | 307.61 | - |
| 364,157.24 (March 31, 2021: Nil) Direct-Kotak Money Market Scheme-Growth of ₹3,620.71 (March 31, 2021: Nil) | - | - | 1,318.51 | - |
| 51,251,015 (March 31, 2021: Nil) Direct Plan-SBI Savings Fund-Growth of ₹35.56 (March 31, 2021: Nil) | - | - | 1,822.56 | - |
| 391,506 (March 31, 2021: Nil) HDFC MONEY MARKET DIRECT-GROWTH. ₹4,654.80 (March 31, 2021: Nil) | - | - | 1,822.38 | - |
| 198,748 (March 31, 2021: 198,748) Axis Banking & PSU Debt Direct-Growth of ₹2,187.06 (March 31, 2021: ₹2,097.79) | - | - | 434.67 | 416.93 |
| 977,077 (March 31, 2021: 2,155,568) units of Bharat Bond ETF 2023-Growth of ₹1,170.44 (March 31 2021: ₹1,116.98) | - | - | 1,143.53 | 2,407.74 |
| 1,178,561 (March 31, 2021: Nil) units of Bharat Bond ETF 2023-Growth of ₹1,172.56 (March 31 2021: Nil) | - | - | 1,381.93 | - |
| 179,946,547.02 (March 31, 2021: 39,144,646) Bharat Bond FOF Apr-2025-Growth of ₹10.82 (March 31, 2021: ₹10.23) | - | - | 1,947.56 | 400.60 |
| 142,643,506.9 (March 31, 2021: Nil) Bharat Bond FOF Apr-2026-Growth of ₹10.74 (March 31, 2021: Nil) | - | - | 1,532.06 | - |
| 67,386,617 (March 31, 2021: 67,386,616) IDFC Corporate Bond Direct-Growth of ₹16.04 (March 31, 2021: ₹15.26) | - | - | 1,080.89 | 1,028.84 |
| 689,928 (March 31, 2021: 689,928) Direct Plan-Kotak Floating of ₹1,227.33 (March 31, 2021: ₹1,157.05) | - | - | 846.77 | 798.28 |
| Total (B= v) | 3,808.39 | 4,204.34 | 14,612.33 | 7,075.64 |
| Total (A+B) | 22,452.20 | 4,551.57 | 14,612.33 | 7,075.64 |
| Other disclosures | | | | |
| Aggregate book value of quoted investments | 17,637.07 | 10,796.76 | | |
| Aggregate market value of quoted investments | 18,420.72 | 11,279.98 | | |
| Aggregate amount of unquoted investments | 18,643.81 | 347.23 | | |

6. Inventories

| | March 31, 2022 | March 31, 2021 |
|------------------------------------|----------------|----------------|
| Inventories | | |
| - Packing material and consumables | 224.31 | 258.77 |
| - Trading Goods | 28.75 | - |
| Total Inventories | 253.06 | 258.77 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

7. Trade Receivables

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------------|-----------------|-----------------|
| Trade receivables | 7,751.14 | 5,728.66 |
| Total trade receivables | 7,751.14 | 5,728.66 |

Break-up of trade receivables

| Particulars | March 31, 2022 | March 31, 2021 |
|--|-------------------|-------------------|
| Trade receivables | | |
| Unsecured, considered good | 7,751.14 | 5,728.66 |
| Trade Receivables-credit impaired | 2,510.26 | 2,014.43 |
| | 10,261.40 | 7,743.09 |
| Impairment Allowance (allowance for bad and doubtful debts) | | |
| Unsecured, considered good | - | - |
| Trade Receivables-credit impaired | (2,510.26) | (2,014.43) |
| | (2,510.26) | (2,014.43) |
| Total Trade receivables | 7,751.14 | 5,728.66 |

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

For terms and conditions relating to related party receivables, refer Note 35

Trade receivables includes:

Dues from companies in which the company's non-executive directors is a director

| | | |
|--|-------|--------|
| - Bata India Limited | - | 7.29 |
| - Glaxosmithkline Pharmaceuticals Limited* | - | 0.00 |
| - Apollo tyres Limited | - | 40.19 |
| - Siemens Limited | - | 2.27 |
| - Voltas Limited | - | 735.96 |
| - C&S Electric Limited | - | 2.62 |
| - Tata Motors Limited | - | 67.15 |
| - Tata Steel Limited | 3.99 | - |
| - Hindustan Unilever Limited | 8.51 | - |
| - Ashok leyland Limited | 28.37 | - |
| - Marico Limited | 65.46 | - |

* Value Less than ₹10,000

The allowance for bad and doubtful debts as of March 31, 2022 and changes in the allowance for doubtful accounts during the year ended on March 31, 2022 and March 31, 2021 were as follows:

| Particulars | March 31, 2022 | March 31, 2021 |
|--|-----------------|-----------------|
| Opening balance | 2,014.43 | 866.18 |
| Add: Provision created during the year | 1,361.96 | 1,376.35 |
| Less: write offs, net of recoveries | (866.13) | (228.10) |
| Closing balance | 2,510.26 | 2,014.43 |

Trade receivables ageing schedule for the year ended March 31, 2022#

| Particulars | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|----------|--------------------|-------------------|-----------|-----------|-------------------|-----------------|
| (i) Undisputed Trade receivables – considered good | 4,671.97 | 2,627.52 | 342.15 | 84.25 | 17.42 | 7.83 | 7,751.14 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | 0.09 | 6.67 | 51.96 | 306.14 | 253.36 | 212.34 | 830.56 |
| (iv) Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | 105.21 | 339.88 | 329.40 | 736.67 | 118.13 | 50.41 | 1,679.70 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Trade receivables ageing schedule for the year ended March 31, 2021#

| Particulars | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|----------|--------------------|-------------------|-----------|-----------|-------------------|-----------------|
| | | | | | | | |
| (i) Undisputed Trade receivables – considered good | 2,803.85 | 1,002.58 | 1,470.32 | 429.52 | 0.00* | 22.37 | 5,728.66 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | 1.87 | 9.59 | 483.79 | 244.15 | 117.16 | 102.89 | 959.45 |
| (iv) Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | 79.69 | 57.17 | 444.51 | 389.12 | 67.49 | 17.00 | 1,054.98 |

Ageing has been calculated from the date of transaction where no due date of payment is specified.

* value less than ₹10,000

8. Loans

| Particulars | Non-current | | Current | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Unsecured, considered good | | | | |
| Advance to employees | - | - | 82.00 | 264.21 |
| | - | - | 82.00 | 264.21 |
| Loans and advances to related parties (refer note 35) | | | | |
| - Unsecured, Considered good | - | - | 2,947.72 | 771.00 |
| - Doubtful | - | - | 93.81 | 93.81 |
| | - | - | 3,041.53 | 864.81 |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | - | (93.81) | (93.81) |
| | - | - | 2,947.72 | 771.00 |
| | - | - | 3,029.72 | 1,035.21 |

Loans or advances to specified related parties

| Type of Borrowers | March 31, 2022 | | March 31, 2021 | |
|---------------------------------|--------------------|------------|--------------------|------------|
| | Amount outstanding | % of Total | Amount outstanding | % of Total |
| Related Parties (refer note 35) | 2,972.52 | 98% | 915.38 | 88% |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

9. Other Financial Assets

| Particulars | Non-current | | Current | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Security deposits | | | | |
| - Unsecured, Considered good | 593.10 | 673.87 | 929.86 | 369.38 |
| - Doubtful | - | - | 24.26 | 18.34 |
| | 593.10 | 673.87 | 954.12 | 387.72 |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | - | (24.26) | (18.34) |
| | 593.10 | 673.87 | 929.86 | 369.38 |
| Margin Money Deposits* | 2,207.17 | - | 532.13 | 2,484.66 |
| Deposits with original maturity for more than 12 months | 884.80 | 203.40 | 772.61 | 3,232.60 |
| | 3,091.97 | 203.40 | 1,304.74 | 5,717.26 |
| Other receivables | | | | |
| - Unsecured, Considered good | - | - | 36.36 | 21.97 |
| - Doubtful | - | - | 31.44 | 31.44 |
| | - | - | 67.80 | 53.41 |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | - | (31.44) | (31.44) |
| | - | - | 36.36 | 21.97 |
| Accrued Income | | | | |
| Unbilled receivable (refer note 21) ** | - | - | 5,965.53 | 3,480.28 |
| Interest accrued on deposits | - | - | 86.11 | 672.87 |
| Interest accrued on investments | - | - | 73.45 | 239.97 |
| | - | - | 6,125.09 | 4,393.12 |
| Amount recoverable from third party agent- Cash collected on our behalf | - | - | 100.68 | 122.94 |
| Money Held in Trust | - | - | 1,851.79 | 1,430.51 |
| Less: Liabilities against money held in trust | - | - | (1,851.79) | (1,430.51) |
| | - | - | 100.68 | 122.94 |
| Interest accrued on inter company deposits (refer note 35) | | | | |
| - Unsecured, Considered good | - | - | 205.46 | 38.66 |
| - Doubtful | - | - | 31.87 | 31.87 |
| | - | - | 237.33 | 70.53 |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | - | (31.87) | (31.87) |
| | - | - | 205.46 | 38.66 |
| | 3,685.07 | 877.27 | 8,702.19 | 10,663.33 |

* Margin money deposits include deposits given to the following#:

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------|----------------|----------------|
| Banks | 2,739.30 | 2,184.70 |
| Vendors | - | 100.00 |
| Customers | - | 200.00 |
| | 2,739.30 | 2,484.70 |

for the year ended March 31, 2021, includes amount of ₹2.83 millions of Margin money deposits (Deposits with original maturity of more than three months but less than 12 months.(refer note 13).

** Consists of contract assets, that primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

10. Non-current tax assets (net)

| Particulars | Non-current | | Current | |
|--------------------|-----------------|-----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Advance Income tax | 1,290.47 | 1,220.34 | - | - |
| | 1,290.47 | 1,220.34 | - | - |

11. Other assets

| Particulars | Non-current | | Current | |
|--|----------------|----------------|-----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Capital advances | | | | |
| - Unsecured, Considered good | 182.23 | 34.08 | - | - |
| - Doubtful | - | 0.26 | - | - |
| | 182.23 | 34.34 | - | - |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | (0.26) | - | - |
| | 182.23 | 34.08 | - | - |
| Prepaid expenses | 6.45 | 13.39 | 467.40 | 135.34 |
| | 6.45 | 13.39 | 467.40 | 135.34 |
| Balance with statutory/government authorities | - | - | 1,414.14 | 570.03 |
| | - | - | 1,414.14 | 570.03 |
| Advance to suppliers | | | | |
| - Unsecured, Considered good | - | - | 708.19 | 247.59 |
| - Doubtful | - | - | 22.63 | 14.53 |
| | - | - | 730.82 | 262.12 |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | - | (22.63) | (14.53) |
| | - | - | 708.19 | 247.59 |
| | 188.68 | 47.47 | 2,589.73 | 952.96 |

12. Cash and Cash equivalent

| Particulars | Non-current | | Current | |
|--|----------------|----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Balances with banks: | | | | |
| - On current accounts | - | - | 782.63 | 2,028.51 |
| - In deposit accounts (with original maturity of less than 3 months) | - | - | 1,000.00 | 500.00 |
| | - | - | 1,782.63 | 2,528.51 |

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

| Particulars | Non-current | | Current | |
|--|----------------|----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Balances with banks: | | | | |
| - On current accounts | - | - | 782.63 | 2,028.51 |
| - In deposit accounts (with original maturity of less than 3 months) | - | - | 1,000.00 | 500.00 |
| Bank Overdraft repayable on demand (secured) | - | - | (144.60) | - |
| | - | - | 1,638.03 | 2,528.51 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

13. Other bank balances

| Particulars | Non-current | | Current | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Balances with banks: | | | | |
| - Deposits with original maturity of more than three months but less than 12 months | - | - | - | 12.95 |
| - Margin money deposits (Deposits with original maturity of more than three months but less than 12 months) | - | - | - | 2.83 |
| | - | - | - | 15.78 |

14. Share capital

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|----------------|
| Authorised Share Capital | | |
| Equity Shares | | |
| 873,502,280 (March 31, 2021: 2,200,228) Equity Shares of ₹1 each (March 31, 2021 - ₹ 10 each) | 873.50 | 22.00 |
| Instruments Entirely Equity in Nature | | |
| 300,000 (March 31, 2021: 300,000) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹ 10/- each (Series A) | 3.00 | 3.00 |
| 4,660,337 (March 31, 2021: 4,310,337) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹ 100/- each (Series B, C, D, D1, E, F, G, H and I) | 466.03 | 431.03 |
| | 1,342.53 | 456.03 |
| Issued, subscribed and fully paid-up shares | | |
| Equity Shares | | |
| 642,106,100 (March 31, 2021: 1,629,229) Equity Shares of ₹ 1 each (March 31, 2021 - ₹ 10 each) | 642.11 | 16.29 |
| Nil (March 31, 2021: 38,701) Equity Shares of ₹ 10 each (March 31, 2021: ₹ 1 Paid up)* (refer note 14 f) | - | 0.04 |
| | 642.11 | 16.33 |
| Instruments Entirely Equity in Nature | | |
| Nil (March 31, 2021: 217,562) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series B | - | 21.77 |
| Nil (March 31, 2021: 365,310) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series C | - | 36.53 |
| Nil (March 31, 2021: 653,551) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series D | - | 65.36 |
| Nil (March 31, 2021: 44,479) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series D1 | - | 4.45 |
| Nil (March 31, 2021: 801,139) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series E | - | 80.11 |
| Nil (March 31, 2021: 1,457,694) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series F | - | 145.77 |
| Nil (March 31, 2021: Nil) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series H | - | - |
| Nil (March 31, 2021: Nil) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series I | - | - |
| | - | 353.99 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

| Particulars | March 31, 2022 | | March 31, 2021 | |
|--|--------------------|---------------|------------------|--------------|
| | Number | Amount | Number | Amount |
| Equity shares | | | | |
| At the beginning of the year | 1,667,930 | 16.33 | 974,952 | 9.75 |
| Issued during the year (including stock options exercised) | 21,509,326 | 23.08 | 14,277 | 0.14 |
| Converted during the year | 425,120,603 | 426.16 | 640,000 | 6.40 |
| Issued during the year (partly paid)* | - | 0.35 | 38,701 | 0.04 |
| Bonus shares issued during the year | 17,618,927 | 176.19 | - | - |
| Equity shares arising on shares split from ₹10 to ₹1 per share## | 176,189,315 | - | - | - |
| Outstanding at the end of the year | 642,106,100 | 642.11 | 1,667,930 | 16.33 |

* During the year ended March 31, 2022, the company has called up and received money for 38,701 shares of ₹9 per share.

On September 29, 2021, the company has sub divided equity shares having a face value of ₹10 each into 10 equity shares having a face value of ₹1 each.

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|------------------|---------------|
| | Number | Amount | Number | Amount |
| Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) | | | | |
| Series A | | | | |
| At the beginning of the year | - | - | 291,667 | 2.92 |
| Converted into equity share during the year | - | - | (291,667) | (2.92) |
| Outstanding at the end of the year | - | - | - | - |
| Series B | | | | |
| At the beginning of the year | 217,562 | 21.77 | 448,719 | 44.89 |
| Converted into equity share during the year | (217,562) | (21.77) | (231,157) | (23.12) |
| Outstanding at the end of the year | - | - | 217,562 | 21.77 |
| Series C | | | | |
| At the beginning of the year | 365,310 | 36.53 | 478,434 | 47.84 |
| Converted into equity share during the year | (365,310) | (36.53) | (113,124) | (11.31) |
| Outstanding at the end of the year | - | - | 365,310 | 36.53 |
| Series D | | | | |
| At the beginning of the year | 653,551 | 65.36 | 653,551 | 65.36 |
| Converted into equity share during the year | (653,551) | (65.36) | - | - |
| Outstanding at the end of the year | - | - | 653,551 | 65.36 |
| Series D1 | | | | |
| At the beginning of the year | 44,479 | 4.45 | 48,531 | 4.85 |
| Converted into equity share during the year | (44,479) | (4.45) | (4,052) | (0.40) |
| Outstanding at the end of the year | - | - | 44,479 | 4.45 |
| Series E | | | | |
| At the beginning of the year | 801,139 | 80.11 | 801,139 | 80.11 |
| Converted into equity share during the year | (801,139) | (80.11) | - | - |
| Outstanding at the end of the year | - | - | 801,139 | 80.11 |
| Series F | | | | |
| At the beginning of the year | 1,457,694 | 145.77 | 1,457,694 | 145.77 |
| Converted into equity share during the year | (1,457,694) | (145.77) | - | - |
| Outstanding at the end of the year | - | - | 1,457,694 | 145.77 |
| Series H | | | | |
| At the beginning of the year | - | - | - | - |
| Issued during the year | 563,349 | 56.33 | - | - |
| Converted into equity share during the year | (563,349) | (56.33) | - | - |
| Outstanding at the end of the year | - | - | - | - |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|------------------|---------------|
| | Number | Amount | Number | Amount |
| Series I | | | | |
| At the beginning of the year | - | - | - | - |
| Issued during the year | 146,961 | 14.70 | - | - |
| Converted into equity share during the year | (146,961) | (14.70) | - | - |
| Outstanding at the end of the year | - | - | 3,539,735 | 353.99 |

b) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Terms/rights attached to Instruments entirely equity in nature

The Company had issued 132,779 and 158,888 Series A Cumulative Compulsorily Convertible Preference Shares ("CCCPS") of ₹10 each fully paid-up at a premium of ₹215.94 per share on April 30, 2012 and November 01, 2012 respectively, Series B - 448,719 CCCPS of ₹100 each fully paid-up at a premium of ₹680 per share on September 26, 2013, Series C - 478,434 CCCPS of ₹100 each fully paid-up at a premium of ₹2,164.20 per share on September 09, 2014, Series D - 653,551 CCCPS of ₹100 each fully paid-up at a premium of ₹7,650 per share on May 08, 2015, Series D1 - 48,531 CCCPS of ₹100 each fully paid-up at a premium of ₹9,959 per share on October 17, 2016, Series E - 640,911, 160,228 CCCPS of ₹100 each fully paid-up at a premium of ₹10,747 per share on March 22, 2017 and May 17, 2017 respectively, Series F 1,457,694 shares of ₹100 each fully paid up at a premium of ₹19,726 per share on March 7, 2019 and March 29, 2019, Series H 563,349 shares of ₹100 fully paid up at a premium of ₹35,555 per share on May 31, 2021 and Series I 146,961 shares of ₹100 fully paid up at a premium of ₹37,900 per share on September 02, 2021 respectively.

During the year, Board of Directors of the Company at its meeting dated January 13, 2022, have approved the conversion of 4,250,045 Cumulative Compulsorily Convertible Preference Shares (CCCPS) having a face value of ₹100 each into 4,250,04,500 Equity Shares having a face value of ₹1 each of the Company (in the ratio of 100:1 i.e. 100 equity shares of ₹1 each against one CCCPS of ₹100 each).

Voting Rights

The Investor shall have right to vote pro-rata to their shareholding.

Liquidation

The holders of each series of Investor securities (other than sale shares) shall be entitled to be paid and otherwise receive distributions out of the liquidation proceeds, on a pari passu basis and prior to any payment or other distribution to any holders of Equity shares.

(d) Details of shareholders holding more than 5% shares in the company

| Name of shareholders | March 31, 2022 | | March 31, 2021 | |
|--|----------------|------------------------|----------------|------------------------|
| | No. | % holding in the class | No. | % holding in the class |
| Equity shares of ₹1 each fully paid | | | | |
| SVF Doorbell (Cayman) Ltd. | 141,593,300 | 22.05% | 13,753 | 0.82% |
| Nexus Ventures III, Ltd. | 57,406,800 | 8.94% | 100 | 0.01% |
| CA Swift Investments | 46,131,800 | 7.18% | - | - |
| Canada Pension Plan Investment Board (CPPIB) | 43,881,500 | 6.83% | 264,457 | 15.86% |
| Internet Fund III Pre Ltd | 37,893,700 | 5.90% | 180,448 | 10.82% |
| Times Internet Limited | 31,703,900 | 4.94% | 371,569 | 22.28% |
| Alpine Opportunity Fund II LP | 17,170,900 | 2.67% | 90,623 | 5.43% |
| Sahil Barua | 13,407,798 | 2.09% | 120,625 | 7.23% |
| Suraj Saharan | 10,994,300 | 1.71% | 114,000 | 6.83% |
| Mohit Tandon | 11,664,200 | 1.82% | 116,642 | 6.99% |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Name of shareholders | March 31, 2022 | | March 31, 2021 | |
|---|----------------|------------------------|----------------|------------------------|
| | No. | % holding in the class | No. | % holding in the class |
| 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each (Series B, C, D, D1, E F, H and I) | | | | |
| Nexus Ventures III, Ltd. | - | - | 573,968 | 16.21% |
| SVF Doorbell (Cayman) Ltd. | - | - | 1,402,180 | 39.61% |
| Internet Fund III PTE Ltd. | - | - | 198,489 | 5.61% |
| CA Swift Investments | - | - | 653,915 | 18.47% |
| Deli. Cmf. Pte.Ltd. | - | - | 223,760 | 6.32% |

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, please refer note 38.

(f) During the previous year ended March 31, 2021 the Company had issued 38,701 equity shares of face value of ₹10/- each to certain individuals at an issue price of ₹18,965 per Equity Share (including premium of ₹18,955 per Equity Share). In accordance with the terms of issue, ₹2,000 was received from the concerned allottees on application and shares were allotted. Further on September 24, 2021, company has received remaining issue money of ₹16,965 per share.

(g) Company is a professionally managed and does not have an identifiable promoter in terms of the Companies Act, 2013.

15. (a) Other equity

| Particulars | March 31, 2022 | March 31, 2021 |
|---|--------------------|--------------------|
| Securities Premium | | |
| Balance as per the last financial statements | 74,307.02 | 74,069.76 |
| Add: ESOPs exercised (transferred ₹1,589.15 millions (March 31, 2021: ₹109.87 millions) from share based payment reserve) | 1,863.89 | 128.87 |
| Add: Securities premium on equity shares issued during the year | 8,092.36 | 77.36 |
| Add: Securities premium on conversion of preference share to equity share | 4,138.45 | 31.42 |
| Add: Securities premium on CCCPS issued during the year (series H and series I) | 25,599.70 | - |
| Less: Bonus share issued during the year * | (176.19) | - |
| Less: Share issue expense (Series H and I) | (169.17) | (0.39) |
| | 113,656.06 | 74,307.02 |
| Share Based Payment Reserve | | |
| Balance as per the last financial statements | 1,958.24 | 1,344.99 |
| Add: ESOP expenses on acquisition of subsidiary (refer note 36.2 (a)) | 106.70 | - |
| Add: Share based payment expense | 2,895.15 | 462.49 |
| Add: Employee stock option allocated to subsidiary companies | 189.07 | 260.63 |
| Less: Transferred to securities premium on exercise of stock options | (1,589.15) | (109.87) |
| | 3,560.01 | 1,958.24 |
| Business Transfer Adjustment Reserve | | |
| Balance as per the last financial statements | 91.19 | - |
| Net gain on sale of business segment | - | 91.19 |
| | 91.19 | 91.19 |
| Retained earnings | | |
| Balance as per last financial statements | (47,754.72) | (44,201.86) |
| Add: Loss during the year | (8,635.17) | (3,562.95) |
| Add: Re-measurement gains/ (losses) on defined benefit plans | 9.60 | 10.10 |
| Net deficit in the statement of profit and loss | (56,380.28) | (47,754.72) |

Exchange differences on translating the financial statements of a foreign operation

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | March 31, 2021 |
|---|------------------|------------------|
| Balance at the beginning of the year | 2.33 | 2.39 |
| Exchange differences on translating the financial statements of a foreign operation | 0.04 | (0.06) |
| | 2.37 | 2.33 |
| Total reserves and surplus | 60,929.35 | 28,604.06 |

*During the year ended March 31, 2022, the Company had allotted bonus shares of 17,618,927 equity shares in the ratio of 9:1 held by the existing shareholders other than for cash consideration.

15. (b) Nature and purpose of Reserves

Retained earning

Retained earnings are the loss that the Company has incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Share Based Payment Reserve

The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

16. Borrowings

| Particulars | Non-current | | Current | |
|---|-----------------|-----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Term Loan | | | | |
| Vehicle Loan from Bank (Secured) (refer (i) below) | 735.25 | 102.09 | - | - |
| Secured bank loan (refer (ii) below) | 404.18 | 1,029.17 | - | - |
| | 1,139.43 | 1,131.26 | - | - |
| Others | | | | |
| Current maturity of long term borrowings | | | | |
| - Vehicle Loan from Bank (refer (i) below) | - | - | 443.46 | 163.87 |
| - Secured bank loan (refer (ii) below) | - | - | 625.00 | 690.18 |
| Bill discounting facility from the Bank (secured) (refer (iii) below) | - | - | 859.93 | 842.29 |
| Working Capital Demand loan | - | - | 33.64 | - |
| Bank Overdraft repayable on demand (secured) | - | - | 110.96 | - |
| | 1,139.43 | 1,131.26 | 2,072.99 | 1,696.34 |
| Compulsorily Convertible Preference Shares (refer (iv) below) | - | 184.84 | - | - |
| | 1,139.43 | 1,316.10 | 2,072.99 | 1,696.34 |

(i) Vehicle Loans carries interest @6.51% to 9.55% (March 31, 2021: 8.7% to 9.15%) per annum and are repayable in 36 to 37 equated monthly installments of ₹0.02 Millions (March 31, 2021: 0.02 Millions) to 0.25 Millions (March 31, 2021: 0.27 Millions) along with interest. The loan is secured by hypothecation of respective vehicles.

(ii) Loan has been availed from HDFC Bank carrying interest rate @ One year MCLR+0.50% p.a ranging from 8.90% to 9.15% and are repayable in 35 and 30 equated monthly instalments of ₹11.23 Millions and 11.39 Millions alongwith interest

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

respectively. The loan is secured by a first charge over certain of the company's movable property (not being pledge) and fixed deposits/Cash deposits.

Loan has been availed from Axis Bank carrying interest rate @ One year MCLR+0.30% p.a. and One year MCLR+0.15% p.a. ranging 7% to 8% and are repayable in 48 equated monthly instalments (remaining installment 23 (March, 31,2021: 35) of ₹20.83 Millions and ₹31.25 millions plus interest thereon respectively. The loan is secured by a first charge over certain of the company's movable property (not being pledge) and fixed deposits/Cash deposits.

(iii) Bill discounting facility has been availed from HDFC bank carrying floating rate of interest of 3 months MCLR plus 0.55% ranging from 7.35% to 7.55% (March 31, 2021: 3 months MCLR plus 0.55% ranging from 7.35% to 8.10%). The facility is on the bills underlying raised with the respective principals.

Further Bill discounting facility has been availed from Axis bank carrying floating rate of interest of 3 months MCLR plus 0.40% ranging from 7.25% to 7.70% (March 31, 2021: 3 months MCLR plus 0.40% ranging from 7.70% to 7.85%). The facility is on the bills underlying raised with the respective principals. The bill discounting is secured by lien on fixed deposit/cash deposit.

(iv) During the previous year ended March 31, 2021, 46,441 (0.001% Series G) Compulsorily Convertible Preference Shares (CCPS), having a face value of ₹100/- (Rupees One Hundred Only) each have been issued during the year at an issue price of ₹22,615; called and paid up ₹10/-. The rights exercised by the holder shall be in accordance with applicable laws i.e. exercisable to the extent of amount paid up. The Board shall make calls upon the holders of the Series G CCPS in respect of monies unpaid on the Series G CCPS (whether on account of the nominal value of the shares or premium), as and when it deems fit. After the Series G CCPS are fully paid-up, it will convert into equity shares of the Company, based on the conversion ratio based on share price multiple of Series F price, upon occurrence of a liquidation event or listing of securities of the Company on a recognized stock exchange.

Each Series G CCPS holder shall have the right to vote on all matters considered at a general meeting of the shareholders of the Company

(i) which directly affect the rights attached to the Series G CCPS;

(ii) in connection with the winding up of the Company;

(iii) in connection with the repayment or reduction of the equity or preference share capital of the Company. During the year ended March 31, 2022, the company has called up and received money for 46,441 shares of ₹90 per share. On September 24, 2021 Series G CCPS has been converted into equity shares in ratio 2.5:1 accordingly 46,441 CCPS were converted to 1,16,103 Equity Share of ₹10 each fully paid up. Prior to conversion, fair value loss has been recognised through financial statements of profit and loss and is disclosed as "Fair value loss on financial liability at fair value through profit and loss" of ₹2,997.39 millions and ₹91.95 millions for the year ended March 31, 2022 and March 31, 2021 respectively.

Unused line of credit

The below table provides the details of un-drawn credit facilities that are available to the Company:

| Particulars | March 31, 2022 | March 31, 2021 |
|------------------|-----------------|-----------------|
| Secured Loan | 2,676.64 | 3,450.00 |
| Bill discounting | 390.07 | 407.71 |
| | 3,066.71 | 3,857.71 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

17. Other Financial Liabilities

| Particulars | Non-current | | Current | |
|--|----------------|----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Other Financial Liabilities Measured at Amortised Cost | | | | |
| Interest accrued and not due on borrowings | - | - | 2.92 | 1.59 |
| Capital Creditors | - | - | 748.57 | 375.66 |
| Employee Welfare Fund* | - | - | 20.97 | 13.88 |
| Amount payable, collected on behalf of the customers | - | - | | |
| - Amount payable, collected on behalf of the customers | | | 1,985.85 | 1,631.49 |
| - Less: Liabilities against money held in trust | | | (1,851.79) | 134.06 |
| | | | | (1,430.51) |
| Employee benefit payable | - | - | 241.56 | 557.69 |
| Security Deposit | - | - | 173.28 | 131.69 |
| | - | - | 1,321.36 | 1,281.49 |

* The Employee Welfare Fund (EWF) is a fund to which both employee and employer contributes. The Employee Welfare Committee of the Company handles the EWF that is used to provide benefits to employees.

18. Provisions

| Particulars | Non-current | | Current | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Provision for employee benefits | | | | |
| - Provision for Gratuity (refer note 32) | 293.49 | 208.70 | 19.86 | 10.59 |
| - Provision for compensated absences | - | - | 154.25 | 107.13 |
| | 293.49 | 208.70 | 174.11 | 117.72 |
| Other Provisions | | | | |
| Provision for asset retirement obligation | 6.71 | 4.90 | - | - |
| | 6.71 | 4.90 | - | - |
| Total Provisions | 300.20 | 213.60 | 174.11 | 117.72 |

Movement in above balances

| Particulars | Asset retirement obligation |
|-----------------------------|-----------------------------|
| As at April 01 2020 | 2.00 |
| Arising during the year | 2.90 |
| Utilised * | (0.00) |
| As at March 31, 2021 | 4.90 |
| Arising during the year | 1.81 |
| Utilised | - |
| As at March 31, 2022 | 6.71 |

*Value less than ₹10,000

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

19. Other current liabilities

| Particulars | Current | |
|------------------------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Others | | |
| - Advance from Customers | 309.50 | 141.33 |
| Statutory dues | | |
| Withholding tax payable | 274.44 | 124.77 |
| Provident Fund payable | 64.18 | 46.89 |
| Employee's State Insurance Payable | 6.72 | 4.13 |
| Professional tax payable* | 5.52 | 5.57 |
| Labour Welfare Fund payable | 0.14 | 0.14 |
| | 660.50 | 322.83 |

*During the year ended March 31, 2022, The company has deducted Professional Tax from employees. The company was able to deposit the Professional Tax in most of the cases except where registration is pending due to non-functioning of government portals. The company is in the process of obtaining registration and the Professional Tax collected will be deposited once the aforesaid issues are resolved.

20. Trade Payables

| Particulars | Current | |
|--|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 |
| Trade payable | | |
| Total outstanding dues of micro and small enterprises (refer note 40 for details of dues to micro and small enterprises) | 29.70 | 20.50 |
| Total outstanding dues of creditors other than micro and small enterprises | 6,695.55 | 4,113.94 |
| | 6,725.25 | 4,134.44 |

Trade payables are non-interest bearing and are normally settled on 0-60 days terms.

For explanations on the Company's credit risk management processes, refer note 37.

For terms and conditions relating to related party payables, refer note 35

Trade payable ageing schedule for year ended March 31, 2022

| Particulars | Unbilled | Not due | Less than 1 year | 1-2 year | 2-3 years | More than 3 years | Total |
|-----------------------------|----------|----------|------------------|----------|-----------|-------------------|----------|
| (i) MSME | - | 19.59 | 10.11 | - | - | - | 29.70 |
| (ii) Others | 4,253.94 | 1,441.73 | 820.72 | 99.21 | 37.41 | 42.54 | 6,695.55 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - others | - | - | - | - | - | - | - |

Trade payable ageing schedule for the year ended March 31, 2021

| Particulars | Unbilled | Not due | Less than 1 year | 1-2 year | 2-3 years | More than 3 years | Total |
|-----------------------------|----------|----------|------------------|----------|-----------|-------------------|----------|
| (i) MSME | - | - | 20.50 | - | - | - | 20.50 |
| (ii) Others | 2,340.89 | 1,058.62 | 391.09 | 206.73 | 25.76 | 90.85 | 4,113.94 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - others | - | - | - | - | - | - | - |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

21. Revenue from Contracts with Customers

| Particulars | March 31, 2022 | March 31, 2021 |
|---------------------------------------|------------------|------------------|
| Sale of services | | |
| Revenue from Services* | 57,233.33 | 34,886.92 |
| Sale of goods | | |
| Revenue from sale of traded goods | 1,876.63 | 110.89 |
| | 59,109.96 | 34,997.81 |
| *includes | | |
| Revenue from Express Parcel services | 41,910.56 | 25,505.24 |
| Revenue from Part Truck Load services | 6,775.69 | 3,841.61 |
| Revenue from Truck Load services | 172.90 | 695.48 |
| Revenue from Supply Chain services# | 5,418.89 | 3,900.58 |
| Revenue from Cross Border services | 2,954.25 | 942.29 |
| Others | 1.04 | 1.72 |
| | 57,233.33 | 34,886.92 |

#Revenue from Supply Chain services includes Revenue from End-to-End services and Revenue from Warehousing services

Timing of rendering of services

| Particulars | March 31, 2022 | March 31, 2021 |
|---|------------------|------------------|
| Services rendered over time | 57,233.33 | 34,886.92 |
| Total Revenue from Contract with customers | 57,233.33 | 34,886.92 |

Revenue from sale of traded goods

| | March 31, 2022 | March 31, 2021 |
|---|-----------------|----------------|
| Goods transferred at a point in time | 1,876.63 | 110.89 |
| Total Revenue from Contract with customers | 1,876.63 | 110.89 |

Reconciling the amount of revenue recognised in the standalone statement of profit and loss with the contracted price

| Particulars | March 31, 2022 | March 31, 2021 |
|---------------------------------|------------------|------------------|
| Revenue as per contracted price | 59,915.08 | 36,306.17 |
| Less: Credit note | (805.12) | (1,308.36) |
| | 59,109.96 | 34,997.81 |

Contract Balances

The following table provides information about receivables, contracts assets, and contract liabilities from contracts with customers.

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Trade receivables (unconditional right to consideration) | 7,751.14 | 5,728.66 |
| Contract assets (refer note 1 below) | 5,965.53 | 3,480.28 |
| Contract liabilities (refer note 2 below) | 309.50 | 141.33 |

Notes:

- The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.

| Contract Assets | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Opening balance | 3,480.28 | 2,736.88 |
| Add: Contract asset created during the year | 5,965.53 | 3,480.28 |
| Less: Contract asset billed during the year | (3,480.28) | (2,736.88) |
| Closing balance | 5,965.53 | 3,480.28 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

2. Contract liability relates to payments received in advance of performance against which amount has been received from customer but services are yet to be rendered on the reporting date. Contract liabilities are recognized once the services are provided, being performance obligation of the Company.

| Contract liabilities | March 31, 2022 | March 31, 2021 |
|--------------------------|----------------|----------------|
| Opening Balance | 141.33 | 31.78 |
| Add: Revenue deferred | 315.09 | 205.20 |
| Less: Revenue Recognised | (60.50) | (28.86) |
| Less: Write-back | (86.42) | (66.79) |
| Closing Balance | 309.50 | 141.33 |

22. Other Income

| Particulars | March 31, 2022 | March 31, 2021 |
|--|-----------------|-----------------|
| 22.1 Finance income | | |
| Interest Income on | | |
| - Bank deposits at amortised cost | 206.90 | 536.30 |
| - Non-current investments | 328.92 | 593.47 |
| - Inter-corporate loans at amortised cost | 185.34 | 41.04 |
| - Income Tax refund | 28.14 | 19.88 |
| - Unwinding of discount on security deposits paid at amortised cost | 109.33 | 105.63 |
| Total finance income (A) | 858.63 | 1,296.30 |
| 22.2 Other income | | |
| Net gain on mutual funds: | | |
| - Fair value gain on Investment at fair value through profit or loss | 300.43 | 325.01 |
| - Net gain on sale of current investments | 174.50 | 100.81 |
| Profit on disposals of property plant and equipment | - | 2.95 |
| Net gain on sale of non current investments | 22.50 | - |
| Gain on modification / termination of lease contracts | 155.80 | 99.76 |
| Rent waiver on lease liabilities | - | 33.80 |
| Credit Balance written back | 86.42 | 66.79 |
| Business Support Service | 60.57 | - |
| Miscellaneous Income | 39.74 | 68.52 |
| Total other income (B) | 839.96 | 697.64 |
| Grand Total (A+B) | 1,698.59 | 1,993.94 |

23. Freight, Handling and Servicing Costs

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------------------------|------------------|------------------|
| Line haul expenses | 17,805.45 | 11,798.08 |
| Contractual manpower expenses | 7,091.40 | 4,708.33 |
| Vehicle rental expenses | 12,239.96 | 6,798.61 |
| Rent | 1,428.22 | 1,034.68 |
| Security expenses | 742.55 | 584.77 |
| Power, fuel & water charges | 1,196.38 | 724.58 |
| Packing material | 188.60 | 122.82 |
| Stores and spares | 284.45 | 141.59 |
| Lost Shipment expense (net) | 700.59 | 363.20 |
| | 41,677.60 | 26,276.66 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

24. Employee Benefits Expense

| Particulars | March 31, 2022 | March 31, 2021 |
|---|------------------|-----------------|
| Salaries, wages and bonus* | 7,952.90 | 4,501.61 |
| Contribution to provident and other funds** | 368.26 | 273.00 |
| Share Based Payment Expense (refer note 38) | 2,895.15 | 462.49 |
| Gratuity expense (refer note 32) | 98.18 | 79.57 |
| Staff welfare expenses | 460.13 | 236.41 |
| | 11,774.62 | 5,553.08 |

* above includes ₹1737.90 Millions towards one-time bonus paid to eligible employees of the company during the year ended March 31, 2022.

** Defined contribution plan

25. Change in inventories of traded goods

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Inventory at the beginning of the year | - | - |
| Inventory at the end of the year | 28.75 | - |
| Increase in inventory | (28.75) | - |

26. Other Expense

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Allowances for recoverable from third party agent | 6.97 | 47.92 |
| Rates and Taxes | 34.66 | 72.12 |
| Business development expenses | 116.82 | 15.88 |
| Repairs & Maintenance | | |
| - Building | 134.42 | 108.31 |
| - Computers | 24.74 | 8.49 |
| - Others | 332.76 | 219.14 |
| Allowances for doubtful debts | 1,081.40 | 836.05 |
| Bad debts written off | 1.47 | 4.45 |
| Payment Gateway Charges | 65.62 | 26.58 |
| Cash Management Service Charges | 386.60 | 240.32 |
| Housekeeping Expenses | 343.64 | 264.23 |
| Allowances for doubtful advances | 13.76 | 47.53 |
| Travelling and conveyance | 597.38 | 288.90 |
| Loss on disposal of property, plant and equipment (net) | 4.13 | - |
| Communication cost | 232.08 | 150.50 |
| Software and technology expenses | 1,415.72 | 782.40 |
| Legal and professional fees | 375.72 | 106.60 |
| Audit Fees* | 8.34 | 10.05 |
| Director's Remuneration (refer note 35) | 29.74 | 27.00 |
| Printing and stationery | 91.99 | 56.27 |
| Assets written off | 2.05 | - |
| Insurance expense | 58.23 | 40.05 |
| Recruiting expenses | 65.29 | 22.09 |
| Foreign Exchange loss (net) | 24.10 | 8.89 |
| Miscellaneous expenses | 82.57 | 75.21 |
| | 5,530.20 | 3,458.98 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

*Audit Fees

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------|----------------|----------------|
| As Auditor | | |
| Audit fee | 8.25 | 10.05 |
| In Other Capacity | | |
| Other services | 0.08 | - |
| Reimbursement of expense | 0.01 | 0.00 |
| | 8.34 | 10.05 |

27. Depreciation and amortization expense

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Depreciation of property, plant and equipment (refer note 3) | 2,356.76 | 1,566.33 |
| Depreciation of Right-of-use assets (refer note 33) | 2,078.06 | 1,902.37 |
| Amortization of intangible assets and goodwill (refer note 4) | 346.84 | 62.52 |
| | 4,781.66 | 3,531.22 |

28. Finance Cost

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Interest at amortised cost | | |
| - to banks | 147.51 | 150.10 |
| - bill discounting | 67.21 | 47.89 |
| - Interest on lease liabilities (refer note 33) | 717.46 | 683.05 |
| - to others | 0.98 | 0.46 |
| Others | | |
| - Bank Charges | 5.75 | 3.98 |
| | 938.91 | 885.48 |

29. Exceptional Items

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Provision for diminution in valuation of non-current investment | | |
| - Delhivery Corp UK Limited | 21.87 | 241.95 |
| Allowances for doubtful debts** | - | 413.30 |
| | 21.87 | 655.25 |

**During the previous year ended March 31, 2021, the management has recorded allowance for doubtful debt of ₹413.30 millions, in view of its anticipated non-recoverability in near future primarily due to imposition of ban by Government of India on certain business units. In view of this unprecedented event, the management has considered it to be outside of the ordinary course of business and accordingly disclosed it as "Exceptional" in the standalone financial statements.

30. Earnings per share (EPS)

Basic/Diluted EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Loss attributable to equity holders of the Company | (8,635.17) | (3,562.95) |
| Weighted average number of equity at the year end in calculating basic EPS | 595.35 | 516.21 |
| Weighted average number of equity at the year end in calculating diluted EPS | 595.35 | 516.21 |
| Basic Loss per equity share | (14.50) | (6.90) |
| Diluted Loss per equity share | (14.50) | (6.90) |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

There are potential equity shares as on March 31, 2022 and March 31, 2021 in the form of stock options issued. As these are antidilutive, they are ignored in the calculation of diluted loss per share and accordingly the diluted loss per share is the same as basic loss per share.

The weighted average number of shares takes into account the weighted average effect of changes in Compulsorily Convertible Preference Shares during the year.

On September 27, 2021, the Company issued bonus shares in the ratio of 9:1 to the existing equity shareholders. Further, appropriate adjustments, to the conversion ratio of outstanding Compulsorily Convertible Preference Shares (CCCPS) has been made and the conversion ratio accordingly stands adjusted to 10:1 i.e. 10 Equity Shares of ₹10/- each for every 1 CCCPS of ₹100/- each held by such CCCPS holder, pursuant to such bonus issuance.

On September 29, 2021, the company has sub divided equity shares having a face value of ₹10 each into 10 equity shares having a face value of ₹1 each. Further, appropriate adjustments, to the conversion ratio of outstanding Compulsorily Convertible Preference Shares (CCCPS) has been made to reflect the impact of such sub-division.

The Board of Directors of the Company at its meeting dated January 13, 2022, have approved the conversion of 42,50,045 Compulsorily Convertible Preference Shares (CCCPS) having a face value of ₹100 each into 42,50,04,500 Equity Shares having a face value of ₹1 each of the Company (in the ratio of 100:1 i.e. 100 equity shares of ₹1 each against one CCCPS of ₹100 each).

The impact of the above has been considered in the calculation of Basic and Diluted Loss per equity share.

31 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Share-based payments

Employees of the company receive remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). In accordance with the Ind AS 102 Share Based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The mortality rate is based on publicly available mortality table. The mortality table tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 32

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful Life of property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation on all property plant and equipment are provided on a written-down value method based on the estimated useful life of the asset. The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives based on management's assessment of their respective economic useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Impairment of goodwill

The Company estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies.

Loss allowance on trade receivables:

Provision for expected credit losses of trade receivables and contract assets. The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 6. The Company considers a financial asset in default when contractual payments are 90 days

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Business combinations

During the year ended March 31, 2021, the Company had made an acquisition (refer Note 36). The assets acquired were recognized at fair value at the date of acquisition. Goodwill was recognized as the remaining portion of the purchase price that was not allocated to the acquired assets as part of the purchase price allocation. To determine the fair values of individual assets acquired including property, plant and equipment, non-compete and customer relationships, complex valuation models based on assumptions were used. This measurement was dependent on estimates of future cash flows as well as the cost of capital applied.

Assets Acquisitions

During the year ended March 31, 2022, the Group had made an asset acquisition (refer note 36.2). The assets acquired were recognized at fair value at the date of acquisition. To determine the fair values of individual assets acquired including property, plant and equipment, non-compete and customer relationships, complex valuation models based on assumptions were used. This measurement was dependent on estimates of future cash flows as well as the cost of capital applied.

Revenue Reognition (Ind AS 115)

The allocation of the transaction price over timing of satisfaction of performance obligation: Under the revenue recognition standard Ind AS 115 revenue has been recognised when control over the services transfers to the customer i.e., when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits. The revenue from logistics service is recognised over a period of time.

The Company has recognized the revenue in respect of undelivered shipments to the extent of completed activities undertaken with respect to delivery. At year end, the Company, based on its tracking systems classifies the ongoing shipments in transit into stages of delivery (first mile, linehaul, last mile) and applies estimated percentage of service completion to recognise revenue which is calculated on the basis of number of days the shipment has been in transit from the pickup date till reporting date as a percentage of average days taken to deliver these shipments from the pickup date.

Leases

The lease payments shall include fixed payments, variable lease payments, residual value guarantees and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

32. Gratuity plan

The Company has a defined benefit gratuity plan. The gratuity plan of India is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who are in continuous service of five years are entitled to specific benefit. The level of benefits provided depends on the employees length of service and salary at retirement age. The gratuity plan is an unfunded plan and the Company does not make contribution to recognised funds. The following tables summarize the components of net benefit expense recognized in the standalone statement of profit and loss and amounts recognized in the standalone statement of assets and liabilities for the Gratuity:

Benefit liability

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Opening defined benefit obligation | 219.29 | 171.86 |
| Acquisition through assets purchase agreement | 29.35 | - |
| Interest cost | 17.78 | 11.65 |
| Current Service Cost | 80.40 | 67.92 |
| Benefits Paid | (23.87) | (17.80) |
| Transferred | - | (4.24) |
| Actuarial (gain)/ loss on obligation | (9.60) | (10.10) |
| Closing defined benefit obligation | 313.35 | 219.29 |

Expense Recognised in the statement of Profit and Loss

Gratuity Cost for the year

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------|----------------|----------------|
| Current Service Cost | 80.40 | 67.92 |
| Interest Cost | 17.78 | 11.65 |
| Net Gratuity Cost | 98.18 | 79.57 |

Remeasurement gains/(losses) in other comprehensive income

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Actuarial changes arising from changes in financial assumptions | 16.56 | (0.52) |
| Experience adjustments | (6.96) | 10.62 |
| Amount recognised in OCI during the year | 9.60 | 10.10 |

Actuarial assumptions

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------------------|-------------------------|-------------------------|
| Discount rate | 7.26% | 6.76% |
| Salary Growth Rate | 7.00% | 7.00% |
| Mortality | IALM (2012-14) ultimate | IALM (2012-14) ultimate |
| Upto 30 years | 15.00% | 15.00% |
| Between 31 and 44 years | 7.00% | 7.00% |
| Above 44 years | 2.00% | 2.00% |
| Normal retirement age | 60 years | 60 years |

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered taking into account the inflation, seniority, promotion and other relevant factors.

Attrition rate: The estimate of future employee turnover

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 and March 31, 2021 is as shown below:

| Particulars | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
|--------------------------------------|--------------------------------|----------------|--------------------------------|----------------|
| Sensitivity level | Discount rate increase by 0.5% | | Discount rate decrease by 0.5% | |
| Impact on defined benefit obligation | (16.35) | (13.20) | 18.08 | 14.65 |
| Sensitivity level | Future salary increase by 0.5% | | Future salary decrease by 0.5% | |
| Impact on defined benefit obligation | 16.74 | 13.67 | (15.52) | (12.53) |

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 11.39 years (March 31, 2021: 11.36 years).

The following payments are expected contributions to the defined benefit plan in future years:

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Within the next 12 months (next annual reporting period) | 15.63 | 10.59 |
| Between 2 and 5 years | 75.33 | 58.46 |
| More than 5 years | 409.83 | 304.30 |
| Total expected payments | 500.79 | 373.35 |

33 Leases

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

| Particulars | March 31, 2021 |
|--------------------------------------|-----------------|
| As at April 01, 2020 | 4,781.22 |
| Additions | 5,509.04 |
| Deletions | (559.77) |
| Depreciation expense (refer note 27) | (1,902.37) |
| As at March 31, 2021 | 7,828.12 |
| Additions | 1,840.29 |
| Deletions | (735.74) |
| Depreciation expense (refer note 27) | (2,078.06) |
| As at March 31, 2022 | 6,854.61 |

Set out below are the carrying amounts of lease liabilities and the movements during the year:

| Particulars | March 31, 2021 |
|---------------------------------------|-----------------|
| As at April 01, 2020 | 4,978.31 |
| Additions | 4,612.84 |
| Accretion of interest (refer note 28) | 683.05 |
| Payments | (2,118.60) |
| As at March 31, 2021 | 8,155.60 |
| Additions | 1,770.38 |
| Accretion of interest (refer note 28) | 717.46 |
| Payments | (2,412.13) |
| Deletion | (891.63) |
| As at March 31, 2022 | 7,339.68 |

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------|----------------|----------------|
| Current | 1,592.41 | 1,617.16 |
| Non-current | 5,747.27 | 6,538.44 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The following are the amounts recognised in Statement of Profit and Loss:

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| Depreciation expense of right-of-use assets (refer note 27) | 2,078.06 | 1,902.37 |
| Interest expense on lease liabilities (refer note 28) | 717.46 | 683.05 |
| Expense relating to short-term leases (refer note 23) | 1,428.22 | 1,034.68 |
| Rent waiver on lease liabilities (refer note 22) | - | 33.80 |
| Gain on modification / termination of lease contracts (refer note 22) | (155.80) | (99.76) |
| Total amount recognised in Profit or Loss | 4,067.94 | 3,554.14 |

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised and has assessed that the company is reasonably certain to exercise the extension options, while not exercising the termination option. Accordingly, there are no undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The effective interest rate for lease liabilities based on the duration of leases is -

0 - 36 months - 7.50% (March 31, 2021: 7.95%)

37 - 72 months - 8.00% (March 31, 2021: 8.50%)

73 months & Above - 8.25% (March 31, 2021: 8.75%)

Rental expense recorded for short-term leases was ₹1,428.22 Millions in the year ended March 31, 2022 (March 31, 2021: ₹1,034.68 Millions).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the standalone Statement of Profit and Loss.

The Company has applied practical expedient in Indian Accounting Standard (Ind AS 116) notified vide Companies (Indian Accounting Standards) Amendment Rules, 2020 by Ministry of Corporate Affairs ('MCA') on July 24, 2020 to all rent concessions received as a direct consequence of COVID-19 pandemic. Accordingly, the company recognized an amount of ₹33.80 millions as other income (refer note 22) during the year ended March 31, 2021.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

| Particulars | As at March 31, 2022 | As at 31 March, 2021 |
|------------------------|-------------------------|-------------------------|
| Less than one year | 2,218.63 | 2,266.70 |
| One to four years | 4,739.97 | 5,355.80 |
| More than four years | 2,140.65 | 2,763.10 |
| Closing balance | 9,099.25 | 10,385.60 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

34 Commitments and contingencies

A. Capital and other commitments

- Capital commitment (net of advances) as on March 31, 2022 is ₹1,532.15 Millions (March 31, 2021: ₹ 419 Millions).
- Other commitment (Labour Guarantee- Dubai Branch) as on March 31, 2022 is Nil (March 31, 2021: ₹1.3 Millions).

B. Contingent Liability:

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Claims against the company not acknowledged as debts | | |
| Tax matter in appeal: Income Tax | 344.92 | 344.92 |

* The claims against the company comprises of:

The Company received Assessment Order dated December 26, 2018 for FY 2015-2016 i.e. A.Y 2016-17 wherein the Assessing Officer (AO) raised Income tax demand of ₹1,835.7 Millions under Income Tax Act, 1961. The company has filed appeal in respect of the above demand which is pending at Commissioner of Income Tax (Appeals). The company filed rectification petition under section 154 of the IT Act, wherein the company was allowed to set-off business loss and unabsorbed depreciation and demand was revised to ₹344.9 Millions accordingly vide order dated September 15, 2021.

The company has assessed that it is only possible, but not probable, that outflow of economic resources will be required and hence these demands have been disclosed as contingent liability.

- There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on subject.

35. Related party transactions

Names of related parties and related party relationship:

Related parties under Ind AS 24:

| | |
|---|---|
| Entities with significant influence over the Company | SVF Doorbell (Cayman Limited) |
| Subsidiaries | Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited) Delhivery USA LLC Delhivery Corp Limited, London, United Kingdom Delhivery HK Pte. Ltd. Orion Supply Chain Private Limited Delhivery Freight Services Pvt Ltd. (w.e.f April 21, 2020) Delhivery Singapore Pte. Ltd (w.e.f. August 02, 2021) Spoton Logistics Private Limited (w.e.f. August 24, 2021) |
| Step Down Subsidiaries | Delhivery Robotics LLC (w.e.f. August 23, 2021) Spoton Supply Chain Solutions Private Limited (formerly known as RAAG Technologies and Services Private Limited) (w.e.f. August 24, 2021) |
| Associate | Leucon Technology Private Limited (till November 19, 2021) FALCON AUTOTECH Private Limited (w.e.f. January 04, 2022) |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Key Management Personnel ("KMP") | Mr. Sahil Barua | Director and Chief Executive Officer (Redesignated as Managing Director on October 13, 2021) |
|----------------------------------|--|---|
| | Mr. Mohit Tandon | Chief Strategy Officer - Client Servicing (till February 28, 2021) |
| | Mr. Suraj Saharan | Head - Orion till 1 August 2021 and Head - New Ventures (w.e.f. August 01, 2021) |
| | Mr. Bhavesh Kishor Manglani | Head - Platforms (till December 11, 2020) |
| | Mr. Kapil Bharati | Chief Technology Officer (Executive Director w.e.f August 19, 2021) |
| | Mr. Ajith Pai Mangalore | Chief Financial Officer till June 30, 2020 and Chief Operating Officer w.e.f July 01, 2020 |
| | Mr. Amit Agarwal | Vice President Finance till June 30, 2020 and Chief Financial Officer w.e.f July 01, 2020 |
| | Mrs. Pooja Gupta | Chief People Officer (w.e.f. April 01, 2021) |
| | Mr. Deepak Manglani | Company Secretary (till April 15, 2020) |
| | Ms. Kriti Gupta | Company Secretary (w.e.f August 22, 2020 till June 19, 2021) |
| | Mr. Vivek Kumar | Company Secretary(w.e.f June 19, 2021 till September 17, 2021) |
| | Mr. Sunil Kumar Bansal | Company Secretary (w.e.f September 17, 2021) |
| | Mr. Sandeep Kumar Barasia | Whole-Time-Director and Chief Business Officer (Redesignated as Executive Director on October 13, 2021) |
| | Mr. Suvir Suren Sujan | Nominee Director |
| | Mr. Gautam Sinha | Nominee Director (till October 22, 2021) |
| | Mr. Srivatsan Ranjan | Non-Executive Director (Redesignated as Independent Director w.e.f. October 1, 2021) |
| | Mr. Neeraj Bhardwaj | Nominee Director (till October 13, 2021) |
| | Mr. Deep Verma | Nominee Director (till October 13, 2021) |
| | Mr. Deepak Kapoor | Non-Executive Director (Redesignated as Independent Director w.e.f. October 1, 2021) |
| | Ms. Hanne Birgitte Breinbjerg Sorensen | Non-Executive Director (resigned w.e.f. October 1, 2021) |
| | Ms. Anjali Bansal | Non-Executive Director (resigned w.e.f. September 16, 2021) |
| | Mr. Munish Ravinder Varma | Nominee Director |
| | Mr. Yanxiang Lu | Nominee Director (till June 04, 2020) |
| | Mr. Sumer Juneja | Nominee Director (till October 22, 2021) |
| | Mr. Agus Tandiono | Nominee Director (resigned w.e.f April 08, 2022) |
| | Mr. Jiang Bo | Nominee Director (w.e.f June 25, 2020 till October 13, 2021) |
| | Mr. Romesh Sobti | Non Executive - Independent Director (w.e.f. October 1, 2021) |
| | Mr. Saugata Gupta | Non Executive - Independent Director (w.e.f. October 1, 2021) |
| | Ms. Kalpana Jaisingh Morparia | Non Executive - Independent Director (w.e.f October 13, 2021) |
| | Mr. Donald Francis Colleran | Non Executive - Nominee Director (w.e.f December 24, 2021) |

Summary of transactions with the above related parties is as follows:

A. Transactions during the year:

| Nature of transactions | Key management personnel | | Subsidiaries | | Associate | | Total | |
|---|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Investments in Unquoted equity instruments (fully paid) | | | | | | | | |
| - Delhivery Corp Limited, London, United Kingdom | - | - | 20.79 | 40.64 | - | - | 20.79 | 40.64 |
| - Delhivery Singapore Pte. Ltd. | - | - | 147.42 | - | - | - | 147.42 | - |
| - Delhivery USA LLC | - | - | 225.76 | 197.45 | - | - | 225.76 | 197.45 |
| - Delhivery Freight Service Private limited | - | - | - | 0.10 | - | - | - | 0.10 |
| - Spoton Logistics Private Limited | - | - | 15,216.52 | - | - | - | 15,216.52 | - |
| Investment in Associate- Equity Accounting | | | | | | | | |
| - FALCON AUTOTECH Private Limited | - | - | - | - | 2,518.94 | - | 2,518.94 | - |
| Provision for Diminution in valuation of non-current investment | | | | | | | | |
| - Delhivery Corp Limited, London, United Kingdom | - | - | 21.87 | 241.95 | - | - | 21.87 | 241.95 |
| Deemed Investment | | | | | | | | |
| - Delhivery USA LLC | - | - | 27.62 | 38.91 | - | - | 27.62 | 38.91 |
| - Delhivery Freight Service Private limited | - | - | 61.32 | 20.41 | - | - | 61.32 | 20.41 |
| - Orion Supply Chain Private Limited | - | - | 0.24 | - | - | - | 0.24 | - |
| - Spoton Logistics Private Limited | - | - | 75.23 | - | - | - | 75.23 | - |
| - Delhivery Robotics LLC | - | - | 15.22 | - | - | - | 15.22 | - |
| - Delhivery Corp Limited, London, United Kingdom | - | - | 1.07 | 201.30 | - | - | 1.07 | 201.30 |
| Loan to related parties | | | | | | | | |
| - Orion Supply Chain Private Limited | - | - | 90.00 | 61.00 | - | - | 90.00 | 61.00 |
| - Spoton Logistics Private Limited | - | - | 1,626.72 | - | - | - | 1,626.72 | - |
| - Delhivery Freight Service Private limited | - | - | 460.00 | 670.00 | - | - | 460.00 | 670.00 |
| Other Income | | | | | | | | |
| Interest income: Inter-corporate loans | | | | | | | | |
| - Orion Supply Chain Private Limited | - | - | 14.26 | 6.65 | - | - | 14.26 | 6.65 |
| - Spoton Logistics Private Limited | - | - | 89.44 | - | - | - | 89.44 | - |
| - Delhivery Freight Service Private limited | - | - | 81.64 | 34.39 | - | - | 81.64 | 34.39 |
| Services provided | | | | | | | | |
| - Leucon Technology Private Limited | - | - | - | - | 9.18 | - | 9.18 | - |
| - Delhivery HK Pte Ltd. | - | - | 33.10 | 45.33 | - | - | 33.10 | 45.33 |
| - Delhivery Freight Services Private Limited | - | - | 60.57 | 37.31 | - | - | 60.57 | 37.31 |
| - Spoton Logistics Private Limited (Linehaul) | - | - | 2.08 | - | - | - | 2.08 | - |
| - Spoton Supply Chain Solutions Private Limited | - | - | 31.20 | - | - | - | 31.20 | - |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Nature of transactions | Key management personnel | | Subsidiaries | | Associate | | Total | |
|---|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Services received | | | | | | | | |
| - Delivery HK Pte Ltd. | - | - | 0.14 | - | - | - | 0.14 | - |
| - Orion Supply Chain Private Limited | - | - | 16.76 | 42.19 | - | - | 16.76 | 42.19 |
| - Delivery Freight Services Private Limited | - | - | 24.58 | - | - | - | 24.58 | - |
| - Delivery USA LLC | - | - | 3.26 | 3.20 | - | - | 3.26 | 3.20 |
| - Leucon Technology Private Limited | - | - | - | - | 3.27 | 53.30 | 3.27 | 53.30 |
| - FALCON AUTOTECH Private Limited | - | - | - | - | 16.77 | - | 16.77 | - |
| Reimbursement of expenses by subsidiary | | | | | | | | |
| - Spoton Logistics Private Limited | - | - | 25.50 | - | - | - | 25.50 | - |
| Reimbursement of expenses on behalf of subsidiary | | | | | | | | |
| - Spoton Logistics Private Limited | - | - | 9.21 | - | - | - | 9.21 | - |
| Remuneration to Key Managerial Personnel* | | | | | | | | |
| Short term employees benefits | | | | | | | | |
| Mr. Sahil Barua | 388.19 | 43.31 | - | - | - | - | 388.19 | 43.31 |
| Mr. Mohit Tandon | - | 5.79 | - | - | - | - | - | 5.79 |
| Mr. Suraj Saharan | 89.58 | - | - | - | - | - | 89.58 | - |
| Ms. Pooja Gupta | 113.37 | - | - | - | - | - | 113.37 | - |
| Mr. Kapil Bharati | 519.21 | 39.25 | - | - | - | - | 519.21 | 39.25 |
| Mr. Ajith Pai Mangalore | 400.01 | 118.97 | - | - | - | - | 400.01 | 118.97 |
| Mr. Amit Agarwal | 374.41 | 45.43 | - | - | - | - | 374.41 | 45.43 |
| Mr. Sandeep Kumar Barasia | 418.50 | 129.49 | - | - | - | - | 418.50 | 129.49 |
| Mr. Deepak Manglani | - | 0.18 | - | - | - | - | - | 0.18 |
| Ms. Kriti Gupta | 0.14 | 0.29 | - | - | - | - | 0.14 | 0.29 |
| Mr. Vivek kumar | 0.95 | - | - | - | - | - | 0.95 | - |
| Mr. Sumil Kumar Bansal | 6.63 | - | - | - | - | - | 6.63 | - |
| Loan to KMP | | | | | | | | |
| Mr. Sandeep Kumar Barasia | - | 51.40 | - | - | - | - | - | 51.40 |
| Mr. Sahil Barua | - | 23.50 | - | - | - | - | - | 23.50 |
| Mr. Kapil Bharati | - | 23.50 | - | - | - | - | - | 23.50 |
| Mr. Ajith Pai Mangalore | - | 23.50 | - | - | - | - | - | 23.50 |
| Mr. Amit Agarwal | - | 23.50 | - | - | - | - | - | 23.50 |
| Loan Repaid | | | | | | | | |
| Mr. Sandeep Kumar Barasia | 25.70 | 1.00 | - | - | - | - | 25.70 | 1.00 |
| Mr. Ajith Pai Mangalore | 23.50 | - | - | - | - | - | 23.50 | - |
| Mr. Kapil Bharati | 23.50 | - | - | - | - | - | 23.50 | - |
| Mr. Sahil Barua | 23.50 | - | - | - | - | - | 23.50 | - |
| Mr. Amit Agarwal | 23.50 | - | - | - | - | - | 23.50 | - |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Nature of transactions | Key management personnel | | Subsidiaries | | Associate | | Total | |
|---|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Fees to Non-Executive Directors | | | | | | | | |
| Ms. Anjali Bansal | 3.02 | 6.50 | - | - | - | - | 3.02 | 6.50 |
| Mr. Deepak Kapoor | 7.00 | 6.50 | - | - | - | - | 7.00 | 6.50 |
| Ms. Hanne Birgitte Breinbjerg Sorensen | 3.68 | 7.50 | - | - | - | - | 3.68 | 7.50 |
| Mr. Romesh Sobti | 3.25 | - | - | - | - | - | 3.25 | - |
| Mr. Saugata Gupta | 3.25 | - | - | - | - | - | 3.25 | - |
| Mr. Kalpana Jaisingh Morparia | 3.04 | - | - | - | - | - | 3.04 | - |
| Mr. Srivatsan Ranjan | 6.50 | 6.50 | - | - | - | - | 6.50 | 6.50 |
| * Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave encashment, as they are determined on an actuarial basis for the company as a whole. | | | | | | | | |
| B. Balances as the year end: | | | | | | | | |
| Nature of balances | Key management personnel | | Subsidiaries | | Associate | | Total | |
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Outstanding balance receivable/(payable) | | | | | | | | |
| - Delivery Cross Border Services Private Limited (Loan balance) | - | - | 93.81 | 93.81 | - | - | 93.81 | 93.81 |
| - Delivery Cross Border Services Private Limited (Loan provision) | - | - | (93.81) | (93.81) | - | - | (93.81) | (93.81) |
| - Orion Supply Chain Private Limited (Loan balance) | - | - | 191.00 | 101.00 | - | - | 191.00 | 101.00 |
| - Orion Supply Chain Private Limited (Receivables/ (Payables)) | - | - | - | (6.64) | - | - | - | (6.64) |
| - Orion Supply Chain Private Limited (Advance to suppliers) | - | - | 12.94 | - | - | - | 12.94 | - |
| - Orion Supply Chain Private Limited (provision for expenses) | - | - | (4.03) | - | - | - | (4.03) | - |
| - Spoton Logistics Private Limited (Loan balance) | - | - | 1,626.72 | - | - | - | 1,626.72 | - |
| - Spoton Logistics Private Limited (Trade receivable)# | - | - | 10.68 | - | - | - | 10.68 | - |
| - Spoton Logistics Private Limited (Provision for Other Expenses)# | - | - | (28.13) | - | - | - | (28.13) | - |
| - Spoton Supply Chain Solutions Private Limited (Accrual Income) | - | - | 6.91 | - | - | - | 6.91 | - |
| - Spoton Supply Chain Solutions Private Limited (Trade receivable) | - | - | 31.02 | - | - | - | 31.02 | - |
| - Delivery Cross Border Services Private Limited (COD payable) | - | - | (5.41) | (5.41) | - | - | (5.41) | (5.41) |
| - Leucon Technology Private Limited (Payables) | - | - | - | (4.43) | - | - | - | (4.43) |
| - Delivery Hk Pte. Ltd. (receivable) | - | - | 72.05 | 85.76 | - | - | 72.05 | 85.76 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Nature of balances | Key management personnel | | Subsidiaries | | Associate | | Total | |
|---|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| - Delivery Hk Pte. Ltd. (Accruals) | - | - | 1.84 | - | - | - | 1.84 | - |
| - Delivery Hk Pte. Ltd. (Expenses payable) | - | - | (0.14) | - | - | - | (0.14) | - |
| - Delivery USA LLC (Payables) | - | - | (7.41) | (4.00) | - | - | (7.41) | (4.00) |
| - Delivery Robotics LLC (Trade receivables) | - | - | 0.75 | - | - | - | 0.75 | - |
| - Delivery Freight Services Private Limited (Loan balance) | - | - | 1,130.00 | 670.00 | - | - | 1,130.00 | 670.00 |
| - Delivery Freight Services Private Limited (Receivables) | - | - | 91.56 | 43.66 | - | - | 91.56 | 43.66 |
| - Delivery Freight Services Private Limited (Accrual Income) | - | - | 19.39 | - | - | - | 19.39 | - |
| - FALCON AUTOTECH Private Limited | - | - | - | - | 94.52 | - | 94.52 | - |
| Other Financial Assets | | | | | | | | |
| Interest accrued on inter company deposits | | | | | | | | |
| - Orion Supply Chain Private Limited | - | - | 19.69 | 6.85 | - | - | 19.69 | 6.85 |
| - Spoton Logistics Private Limited | - | - | 80.50 | - | - | - | 80.50 | - |
| - Delivery Freight Services Private Limited | - | - | 105.28 | 31.81 | - | - | 105.28 | 31.81 |
| - Delivery Cross Border Services Private Limited | - | - | 31.87 | 31.87 | - | - | 31.87 | 31.87 |
| - Delivery Cross Border Services Private Limited (Loan provision) | - | - | (31.87) | (31.87) | - | - | (31.87) | (31.87) |
| Balance outstanding at period/ year end | | | | | | | | |
| Salary Payable** | | | | | | | | |
| Mr. Sahil Barua | 2.13 | 7.09 | - | - | - | - | 2.13 | 7.09 |
| Mr. Suraj Saharan | 2.14 | - | - | - | - | - | 2.14 | - |
| Ms. Pooja Gupta | 1.50 | - | - | - | - | - | 1.50 | - |
| Mr. Kapil Bharati | 1.86 | 6.00 | - | - | - | - | 1.86 | 6.00 |
| Mr. Ajith Pai Mangalore | 3.50 | 6.00 | - | - | - | - | 3.50 | 6.00 |
| Mr. Amit Agarwal | 2.16 | 3.50 | - | - | - | - | 2.16 | 3.50 |
| Mr. Sandeep Kumar Barasia | 2.66 | 8.12 | - | - | - | - | 2.66 | 8.12 |
| Ms. Kriti Gupta | - | 0.04 | - | - | - | - | - | 0.04 |
| Mr. Sunil Kumar Bansal | 0.27 | - | - | - | - | - | 0.27 | - |
| Loans and advances to related parties | | | | | | | | |
| Mr. Sahil Barua | - | 23.50 | - | - | - | - | - | 23.50 |
| Mr. Kapil Bharati | - | 23.50 | - | - | - | - | - | 23.50 |
| Mr. Ajith Pai Mangalore | - | 23.50 | - | - | - | - | - | 23.50 |
| Mr. Amit Agarwal | - | 23.50 | - | - | - | - | - | 23.50 |
| Mr. Sandeep Kumar Barasia | 24.80 | 50.40 | - | - | - | - | 24.80 | 50.40 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Nature of balances | Key management personnel | | Subsidiaries | | Associate | | Total | |
|---|--------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Fees payable to Non-Executive Directors | | | | | | | | |
| Ms. Anjali Bansal | - | 1.63 | - | - | - | - | - | 1.63 |
| Mr. Deepak Kapoor | 1.88 | 1.63 | - | - | - | - | 1.88 | 1.63 |
| Ms. Hanne Birgitte Breinbjerg Sorensen | - | 1.87 | - | - | - | - | - | 1.87 |
| Mr. Romesh Sobti | 1.63 | - | - | - | - | - | 1.63 | - |
| Mr. Saugata Gupta | 1.63 | - | - | - | - | - | 1.63 | - |
| Ms. Kalpana Morparia | 1.63 | - | - | - | - | - | 1.63 | - |
| Mr. Srivatsan Ranjan | 1.63 | 1.63 | - | - | - | - | 1.63 | 1.63 |

** Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave encashment, as they are determined on an actuarial basis for the company as a whole.

Above balance includes ₹9.21 Millions for reimbursement of expenses incurred by Delivery Limited on behalf of Spoton Logistics Private Limited for which no transaction is required to be eliminated during the year ended March 31, 2022.

Above balance of ₹25.5 Millions is reimbursement of expenses incurred by Spoton Logistics Private Limited on behalf of Delivery Limited for which no transaction is required to be eliminated during the year ended March 31, 2022.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

36.1 Assets Acquisition

(a) Acquisition during the year ended March 31, 2022

As on July 15, 2021, the Company has entered into assets purchase agreement with FedEx Express Transportation and Supply Chain Services (India) Private Limited and Tnt India Private Limited, via tri-party agreement. Approval from Completion Commission of India (CCI) had been received as on November 23, 2021 and consideration of ₹1,864.27 Millions has been transferred to FedEx as on December 04, 2021.

Assets acquired

The fair values of the identifiable assets of Fedex Express Transportation and Supply Chain Services Private Limited as at the date of acquisition were:

| Particular | Amount |
|--|-----------------|
| Computers/Servers | 28.19 |
| Office Equipment | 104.30 |
| Furniture and Fixtures | 9.78 |
| Vehicles | 216.19 |
| Plant and Equipment | 4.59 |
| Leasehold Improvements | 44.48 |
| Land and building | 61.93 |
| Software | 0.42 |
| Non - compete | 180.61 |
| Customer relationship | 488.87 |
| Others* | 724.90 |
| Purchase Consideration | 1,864.27 |
| Less: Provision for termination benefit (Employee actuarial liability) | (34.80) |
| Add: Security Deposits (assets) | 19.20 |
| Net Consideration Paid | 1,848.67 |

*Above balance of ₹724.90 millions includes amount of Cross Border Franchisee Agreement - imports of ₹391.80 millions and Cross Border Franchisee Agreement - exports of ₹333.10 millions.

Purchase consideration

| Particular | Amount |
|---|-----------------|
| Cash consideration paid | 1,848.67 |
| Add: Provision for termination benefit (Employee actuarial liability) | 34.80 |
| Less: Security Deposits (assets) | (19.20) |
| Total Purchase consideration | 1,864.27 |

Analysis of cash flows on acquisition:

| Particular | Amount |
|---|-----------------|
| Payment towards acquisition of business (included in cash flow from investing activities) | 1,848.67 |
| Net cash used in acquisition | 1,848.67 |

(b) Acquisition during the previous year ended March 31, 2021

Primaseller Inc. (Primasellar)

The company entered into an asset purchase agreement with Primaseller Inc. (Primasellar) on February 20, 2021, to purchase the assets, along with employing all such employees who wanted to be employed with the company at a total purchase consideration of ₹21.06 millions.

Assets acquired

The fair values of the identifiable assets of Primasellar as at the date of acquisition were:

| Particular | Amount |
|-------------------------------|--------------|
| Technology/ Software | 20.98 |
| Goodwill | 0.08 |
| Purchase Consideration | 21.06 |

PrimaSeller's product enables SME retailers (target customers) manage their orders and inventory easily through a common platform

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

36.2 Business Combination

a) Acquisition of Spoton logistics Private limited ("Spton")

The Company acquired 100% investment in Spoton Logistics Private Limited (Company engaged in the domestic road business and Air business) for a consideration of ₹15,216.02 millions vide share purchase agreement dated July 29, 2021. Post the completion of acquisition Spoton logistics Private Limited has become 100% subsidiary of Delhivery limited w.e.f August 24, 2021.

The consideration includes ₹15,109.30 millions paid in cash and ₹106.74 millions discharged through replacement of ESOP awards to select ESOP holders of Spoton as part of the obligations undertaken by Delhivery as per the contractual arrangement entered between the parties upon the acquisition.

b) Business transfer agreement with Delhivery Freight services private limited ("DFSPL")

During year ended March 31, 2021, business transfer agreement has been executed on October 1, 2020 ('the BTA') between Delhivery Limited and Delhivery Freight Services Private Limited (DFSPL), pursuant to provisions of the Companies Act, 2013 ('the Act') and rules framed thereunder.

Delhivery Limited agreed to transfer convey and deliver to DFSPL, the Full Truck Load Business (FTL) Business (as defined hereinafter) as a going concern on a slump sale basis (as defined in Section 2(42C) of the Income Tax Act, 1961) for a lump sum consideration of ₹91.2 millions without values being assigned to individual assets and liabilities.

FTL business means the business of providing freight services.

36.3 Investment in Associates

The company has made 34.55% investment in FALCON AUTOTECH Private Limited (Company engaged in the autotech business) for a consideration of ₹2,518.94 millions vide share purchase agreement dated December 31, 2021. Upon closure of transaction on January 04, 2022, FALCON AUTOTECH Private Limited has become an associate of the Company.

37.1 Fair Values

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

| Particulars | Amortised cost | Financial assets/ liabilities at fair value through profit or loss | | Carrying value |
|---|------------------|--|------------------|------------------|
| | | Designated upon initial recognition | Mandatory | |
| Assets: | | | | |
| Cash and cash equivalents (refer note 12) | 1,782.63 | - | - | 1,782.63 |
| Investments (current) (refer note 5) | - | - | 14,612.33 | 14,612.33 |
| Investments (non-current) (refer note 5) | - | - | 3,808.39 | 3,808.39 |
| Investments in equity securities (non-current) (refer note 5) | 18,643.81 | - | - | 18,643.81 |
| Trade receivables (refer note 7) | 7,751.14 | - | - | 7,751.14 |
| Loans (current) (refer note 8) | 3,029.72 | - | - | 3,029.72 |
| Other financial assets (refer note 9) | 12,387.26 | - | - | 12,387.26 |
| Total | 43,594.56 | - | 18,420.72 | 62,015.28 |
| Liabilities: | | | | |
| Trade payables (refer note 20) | 6,725.25 | - | - | 6,725.25 |
| Borrowing (refer note 16) | 3,212.42 | - | - | 3,212.42 |
| Other financial liabilities (refer note 17) | 1,321.36 | - | - | 1,321.36 |
| Lease liabilities (refer note 33) | 7,339.68 | - | - | 7,339.68 |
| Total | 18,598.71 | - | - | 18,598.71 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

| Particulars | Amortised cost | Financial assets/ liabilities at fair value through profit or loss | | Carrying value |
|---|------------------|--|------------------|------------------|
| | | Designated upon initial recognition | Mandatory | |
| Assets: | | | | |
| Cash and cash equivalents (refer note 12) | 2,528.51 | - | - | 2,528.51 |
| Other bank balances (refer note 13) | 15.78 | - | - | 15.78 |
| Investments (current) (refer note 5) | - | - | 7,075.64 | 7,075.64 |
| Investments (non-current) (refer note 5) | - | - | 4,204.34 | 4,204.34 |
| Investments in equity securities (non-current) (refer note 5) | 347.23 | - | - | 347.23 |
| Trade receivables (refer note 7) | 5,728.66 | - | - | 5,728.66 |
| Loans (current) (refer note 8) | 1,035.21 | - | - | 1,035.21 |
| Other financial assets (refer note 9) | 11,540.60 | - | - | 11,540.60 |
| Total | 21,195.99 | - | 11,279.98 | 32,475.97 |
| Liabilities: | | | | |
| Trade payables (refer note 21) | 4,134.44 | - | - | 4,134.44 |
| Borrowing (refer note 16) | 2,827.61 | 184.84 | - | 3,012.45 |
| Lease liabilities (refer note 33) | 8,155.60 | - | - | 8,155.60 |
| Other financial liabilities (refer note 17) | 1,281.49 | - | - | 1,281.49 |
| Total | 16,399.14 | 184.84 | - | 16,583.98 |

The following methods / assumptions were used to estimate the fair values:

- The carrying value of trade receivables, cash and cash equivalents, trade payables, security deposits, lease liabilities and other current financial assets and other current financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.
- The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.
- Fair value of quoted mutual funds is based on quoted market prices at the reporting date.
- Fair value of debt instruments is estimated based on discounted cash flows valuation technique using the cash flow projections, discount rate and credit risk.
- Fair value of the Compulsorily Convertible Preference Shares is estimated based on discounted cash flow valuation technique using cash flow projections and financial projections/budgets approved by the management.

37.2(a) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Level 1 – Quoted prices in active market

Level 2 – Significant observable inputs

Level 3 – Significant unobservable inputs

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

| Particulars | March 31, 2022 | Fair value measurement at end of the reporting year using | | |
|--|----------------|---|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Assets | | | | |
| Investments in bonds, non convertible debentures, mutual fund units (refer note 5) | 18,420.72 | 18,420.72 | - | - |

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

| Particulars | March 31, 2021 | Fair value measurement at end of the reporting year using | | |
|--|----------------|---|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Assets | | | | |
| Investments in bonds, non convertible debentures, mutual fund units (refer note 5) | 11,279.98 | 11,279.98 | - | - |
| Liabilities | | | | |
| Compulsorily Convertible Preference Shares (refer note 16) | 184.84 | - | - | 184.84 |

37.2 (b) Fair value hierarchy

| Particulars | Compulsorily Convertible Preference Shares | |
|---|--|----------------|
| | March 31, 2022 | March 31, 2021 |
| Balance at the beginning of the year | 184.84 | - |
| Addition during the year | 957.40 | 91.94 |
| Fair value loss on financial instruments at fair value through profit or loss | 2,997.39 | 92.90 |
| Converted to Equity | (4,139.63) | - |
| Balance at the end of the year | - | 184.84 |

37.2 (c) Fair value hierarchy

Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets / liabilities as of March 31, 2022 and March 31, 2021:

| Financial Liabilities | Valuation technique(s) | Key Input(s) | Sensitivity |
|--|------------------------|---|--------------------|
| Compulsorily Convertible Preference Shares | Option Pricing Method* | i) Risk Free Discount rate - 4.7% (March 31, 2021-6%) ii) Volatility rate 50% (March 31, 2021 -40.02%) iii) Liquidity event timeline - 4 to 5 years | Refer Note below** |

* The fair values of financial assets included in level 3 have been determined in accordance with generally accepted pricing models based on an option pricing method, with the most significant inputs being the risk free discount rate that reflects the credit risk of counter parties.

** Sensitivity to changes in unobservable inputs: The fair value of these financial assets is directly proportional to the estimated entity valuation. If the entity were to increase / decrease by 5% with all the other variables held constant, the fair value of the financial liabilities would increase / decrease by 5%.

37.3 Financial risk management objectives and policies

Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimization of cash through fund planning and robust cash management practices.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the financial assets and liabilities of the Company are either non-interest bearing or fixed interest bearing instruments, the Company's net exposure to interest risk is negligible.

An increase in interest rate by 1% will result in increase in loss by ₹118.67 millions (March 31, 2021: ₹13.60 millions) and decrease in interest rate by 1% will result in decrease in loss by ₹91.06 millions (March 31, 2021: ₹14.50 millions).

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The entire revenue and majority of the expenses of the Company are denominated in Indian Rupees.

Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(B) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the Company through credit approvals and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as the Company's historical experience for customers.

(C) Credit risk exposure

The company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12 months expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively. The calculation is based on historical data of actual losses.

(D) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The Company's largest customer accounted for approximately 15.72% of net sales for year ended March 31, 2022.

(E) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The table below provides details regarding the contractual undiscounted maturities of significant financial liabilities as of March 31, 2022:

| Particulars | Carrying Amount | Less than 1 year | 1-2 years | 2-4 years | > 4 years | Total |
|---|-----------------|------------------|-----------|-----------|-----------|----------|
| Trade payables (refer note 20) | 6,725.25 | 6,725.25 | - | - | - | 6,725.25 |
| Borrowing (refer note 16)* | 3,212.42 | 2,195.73 | 1,177.25 | 24.13 | - | 3,397.11 |
| Other financial liabilities (refer note 17) | 1,321.36 | 1,321.36 | - | - | - | 1,321.36 |

The table below provides details regarding the contractual undiscounted maturities of significant financial liabilities as of March 31, 2021:

| Particulars | Carrying Amount | Less than 1 year | 1-2 years | 2-4 years | > 4 years | Total |
|---|-----------------|------------------|-----------|-----------|-----------|----------|
| Trade payables (refer note 20) | 4,134.44 | 4,134.44 | - | - | - | 4,134.44 |
| Borrowing (refer note 16)* | 3,012.44 | 1,819.80 | 967.10 | 425.75 | - | 3,212.65 |
| Other financial liabilities (refer note 17) | 1,281.49 | 1,281.49 | - | - | - | 1,281.49 |

* It includes contractual interest payment based on interest rate prevailing at the end of the reporting period.

(F) Equity price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), government securities. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

37.4 Capital management

For the purpose of the company's capital management, capital includes issued equity capital, instruments entirely equity in nature, securities premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital by regularly reviewing the capital structure. As a part of this review, the Company considers the cost of capital and the risks associated with the issued share capital. In the opinion of the Directors, the Company's capital risk is low.

| Particulars | March 31, 2022 | March 31, 2021 |
|--|------------------|------------------|
| Borrowings and Leases other than Compulsorily Convertible Preference Shares (refer note 16 and 33) | 10,552.11 | 11,168.04 |
| Less: cash and cash equivalents (refer note 12) | (1,782.63) | (2,528.51) |
| Net debt | 8,769.48 | 8,639.53 |
| Convertible preference shares (refer note 14 & 16) | - | 538.83 |
| Equity | 61,571.47 | 28,620.39 |
| Total capital | 61,571.47 | 29,159.22 |
| Capital and net debt | 70,340.95 | 37,798.75 |
| Gearing ratio | 12.47% | 22.86% |

No Material changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

38. Share-based payments

General Employee Share-option Plan (GESP): Delhivery Employees Stock Option Plan, 2012

The company provides share-based payment schemes to its employees. During the year ended March 31, 2022, three employee stock option plan (ESOP) were in existence. The relevant details of the schemes and the grant are as below:

On September 28, 2012, the board of directors approved the Delhivery Employees Stock Option Plan, 2012 for issue of stock options to the key employees and directors of the company. According to the Scheme 2012, it applies to bona fide confirmed employees/directors and who are in whole – time employment of the company and as decided by the board of directors of the company or appropriate committee of the board constituted by the board from time to time. The options granted under the Scheme shall vest not less than one year and not more than four years from the date of grant of options. Once the options vest as per the Scheme, they would be exercisable by the Option Grantee at any time and the equity shares arising on exercise of such options shall not be subject to any lock-in period.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of and movements in, share options during the year:

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|----------------|----------|
| | No. of options | WAEP (₹) | No. of options | WAEP (₹) |
| Outstanding at the beginning of the year [#] | 23,242,000 | 18.52 | 234,338 | 1,735.00 |
| Granted during the year | 7,466,609 | 13.29 | 29,525 | 2,985.00 |
| Forfeited during the year | (1,139,367) | 23.48 | (8,918) | 2,605.00 |
| Cancelled during the year | - | - | (8,248) | 2,985.00 |
| Exercised during the year | (17,783,800) | 15.55 | (14,277) | 1,340.63 |
| Outstanding at the end of the year | 11,785,442 | 19.24 | 232,420 | 1,852.00 |
| Exercisable at the end of the year | 11,785,442 | 19.24 | 232,420 | 1,852.00 |

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2022 is 2.87 years (March 31, 2021: 1.25 years). The range of exercise prices for options outstanding at the year end was ₹1 to ₹29.85 (March 31 2021: ₹226 to ₹2,985).

The weighted average fair value for the stock options granted during the year is ₹278.50 (March 31, 2021: ₹182.40).

The following tables list the inputs to the models used for the GESP plans for the year ended March 31, 2022 and March 31 2021, respectively:

| Particulars | March 31, 2022 | March 31, 2021 |
|-----------------------------------|------------------------------------|----------------|
| Expected volatility (%) | 48.60%-59.40% | 51.00% |
| Risk-free interest rate (%) | 4.10%-5.70% | 3.80% |
| Expected life of share options | 4 to 5years | 4 to 5years |
| Weighted average share price (Rs) | 19.24 | 1,852.00 |
| Model used | Black Scholes Option Pricing Model | |

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Delhivery Employees Stock Option Plan - II, 2020.

The Plan has been formulated and approved on January 25, 2021 by the Board of Directors ("Board") and approved on February 01, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan came into force on February 01, 2021 and shall continue to be in force until - (i) its termination by the Board; or (ii) the date on which all of the Options available for issuance under the Plan have been Exercised.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

Movement during the year

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|----------------|----------|
| | No. of options | WAEP (₹) | No. of options | WAEP (₹) |
| Outstanding at the beginning of the year [#] | 7,740,200 | 0.10 | - | - |
| Granted during the year | - | - | 77,402 | 10.00 |
| Forfeited during the year | - | - | - | - |
| Cancelled during the year | - | - | - | - |
| Exercised during the year | - | - | - | - |
| Outstanding at the end of the year | 7,740,200 | 0.10 | 77,402 | 10.00 |
| Exercisable at the end of the year | 7,740,200 | 0.10 | 77,402 | 10.00 |

The Options granted under the plan shall vest as per the schedule determined by the Board / ESOP Committee. Vesting of options shall be subject to continued / uninterrupted employment with the Company and completion of a minimum period of 1 year from the date of the grant of the options and shall vest on the basis of the Company achieving the valuation thresholds (being the multiple of the share price of the Series F round of investment in the Company)

Any remaining unvested Options (that have not vested in accordance with above) shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option Agreement or grant letter between each eligible employee and the Company, unless determined otherwise by the Board / ESOP committee from time to time.

The following tables list the inputs to the models used for the plan for the year ended March 31, 2022 and March 31 2021:

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------------|------------------------|----------------|
| Expected volatility (%) | 45.1% - 48% | 45.1% - 48% |
| Risk-free interest rate (%) | 3.35% | 3.35% |
| Expected life of share options | 3.17 | 3.17 |
| Face value (₹) | 0.10 | 10.00 |
| Model used | Monte Carlo simulation | |

Delhivery Employees Stock Option Plan III, 2020

The Plan has been formulated and approved on January 25, 2021 by the Board of Directors ("Board") and approved on 01st February, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan came into force on February 01, 2021 and shall continue to be in force until - (i) its termination by the Board; or (ii) the date on which all of the Options available for issuance under the Plan have been Exercised.

The Options granted under the Plan shall vest as per the schedule determined by the Board / ESOP Committee. Vesting of Options shall be subject to continued / uninterrupted employment with the company and completion of a minimum period of 1 year from the date of the grant of the Options and shall vest at the discretion of the Board / ESOP Committee on the basis of the performance of the Company or any other transformative event as decided by the Board / ESOP Committee. Any remaining unvested Options that have not vested in accordance with this sub-clause shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option agreement or grant letter between each Eligible Employee and the Company, unless determined otherwise by the Board / ESOP Committee from time to time.

Movement during the year

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|----------------|----------|
| | No. of options | WAEP (₹) | No. of options | WAEP (₹) |
| Outstanding at the beginning of the year [#] | 1,050,000 | 0.10 | - | - |
| Granted during the year | 7,770,500 | 0.10 | 10,500 | 10.00 |
| Forfeited during the year | - | - | - | - |
| Cancelled during the year | - | - | - | - |
| Exercised during the year | - | - | - | - |
| Outstanding at the end of the year | 8,820,500 | 0.10 | 10,500 | 10.00 |
| Exercisable at the end of the year | 8,820,500 | 0.10 | 10,500 | 10.00 |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

The following tables list the inputs to the models used for the plan for the year ended March 31, 2022 and March 31, 2021:

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------------|------------------------|----------------|
| Expected volatility (%) | 45.1% - 48% | 45.1% - 48% |
| Risk-free interest rate (%) | 3.35% | 3.35% |
| Expected life of share options | 3.17 | 3.17 |
| Face value (₹) | 0.10 | 10.00 |
| Model used | Monte Carlo simulation | |

On December 14, 2021, the company changed the vesting for the employee share options granted in February 2021 under Scheme III from milestone based vesting to milestone & time based vesting. The fair value of the options at the date of the modification was determined to be ₹294.6 millions. The fair value on account of said modification has reduced by ₹470.1 millions and as per provisions of Ind AS 102, the company shall continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred. Accordingly, the expense for the original option grant will continue to be recognised as if the terms had not been modified. Further, the expense for time based vesting has been recognised as an expense over the period from the modification date to the end of the reduced vesting period. The fair value of the modified options was determined using the same models and principles as described above, with the following model inputs:

| Particulars | Unit | Value |
|---------------------------|----------|-------------------|
| Effective/ Valuation date | | December 14, 2021 |
| Common stock value | ₹/ share | 380 |
| Exercise price | ₹/ share | 10 |
| Volatility | % | 47% |
| Risk free rate | % | 3.52% |

Delhivery Employees Stock Option Plan IV, 2021

The Plan has been formulated and approved on September 24, 2021 by the Board of Directors ("Board") and approved on September 29, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan shall be deemed to have come into force on September 29, 2021 and shall continue to be in force until -

- its termination by the Board; or
- the date on which all of the options available for issuance under the plan have been exercised. "

The options granted under the plan shall vest as per the schedule determined by the Board / ESOP Committee. Vesting of options shall be subject to continued / uninterrupted employment with the Company and completion of a minimum period of 1 year from the date of the grant of the options and shall vest at the discretion of the Board / ESOP committee on the basis of the performance of the Company or any other transformative event as decided by the Board / ESOP committee. Any remaining unvested options that have not vested in accordance with this sub-clause shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option agreement or grant letter between each eligible employee and the Company, unless determined otherwise by the Board / ESOP committee from time to time.

Movement during the year

| Particulars | March 31, 2022 | | March 31, 2021 | |
|--|----------------|----------|----------------|----------|
| | No. of options | WAEP (₹) | No. of options | WAEP (₹) |
| Outstanding at the beginning of the year | - | - | - | - |
| Granted during the year | 7,600,000 | 1.00 | - | - |
| Forfeited during the year | - | - | - | - |
| Cancelled during the year | - | - | - | - |
| Exercised during the year | - | - | - | - |
| Outstanding at the end of the year | 7,600,000 | 1.00 | - | - |
| Exercisable at the end of the year | 7,600,000 | 1.00 | - | - |

During the year ended March 31, 2022, Company has granted 76,00,000 stock options convertible into Equity Shares out of which vesting of 25,00,000 stock options is time based and 51,00,000 is milestone based. Vesting of these options is dependent upon the listing of the company on recognized stock exchange therefore, ESOP expense pertaining to these options will be recognized in books after listing of company.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

Accordingly, when company got listed on May 24, 2022, vesting of these options has commenced for time based stock options.

During the year ended March 31, 2022, the company has recognised expense of ₹2,895.15 millions (March 31, 2022: ₹462.49 millions)

On September 29, 2021, the company has sub divided equity shares having a face value of ₹10 each into 10 equity shares having a face value of ₹1 each. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulative Compulsorily Convertible Preference Shares (CCCPS) has been made to reflect the impact of such sub-division.

#On September 29, 2021, the company has sub divided equity shares having a face value of ₹10 each into 10 equity shares having a face value of ₹1 each. Also, the Company had allotted bonus equity shares in the ratio of 9:1 held by the existing shareholders.

39. Operating Segments

The primary reporting of the Company has been performed on the basis of business segment. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker ("CODM") i.e. Chief Executive Officer of the Company, being the CODM has evaluated of the Company's performance at an overall level as one segment which is 'Logistics Services' that includes warehousing, last mile logistics, designing and deploying logistics management systems, logistics and supply chain consulting/advice, inbound/procurement support and operates in a single business segment based on the nature of the services, the risks and returns, the organization structure and the internal financial reporting systems. Accordingly, the figures appearing in these financial statements relate to the Company's single business segment. The Company has significant operations based in India, hence there are no reportable geographical segments in standalone financial results.

40. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | 29.70 | 20.50 |
| Principal amount due to micro and small enterprises | 29.70 | 20.50 |
| Interest due on above | - | - |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

41. As at the year ended March 31, 2022 and March 31, 2021, the Company is having net deferred tax assets primarily comprising of unabsorbed Depreciation and carry forward Losses under tax laws. However in the absence of reasonable certainty as to its realization of Deferred Tax Assets (DTA), DTA has not been created.

| Particulars | March 31, 2022 | March 31, 2021 |
|----------------------------------|----------------|----------------|
| Deferred Tax Liability | | |
| Impact on business combination | 51.13 | 51.13 |
| Deferred Tax Assets | | |
| Deductible temporary differences | 3,032.92 | 1,926.71 |
| Brought forward losses* | 1,375.50 | 1,856.80 |
| Unabsorbed Depreciation* | 1,278.16 | 896.99 |
| Recognised in books | Nil | Nil |

* above balance is the potential tax benefit i.e. @ 31.20% on brought forward losses of ₹4,408.64 millions (March 31, 2021: ₹5,951.28 millions) and on Unabsorbed depreciation of ₹4,096.66 millions (March 31, 2021: 2,874.54 millions).

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Maturity period of brought forward losses for which no deferred tax are recognised in the financial statements:

| Year of expiry | March 31, 2022 | | March 31, 2021 | |
|----------------|------------------------|------------------------|------------------------|------------------------|
| | Brought forward losses | Potential tax benefits | Brought forward losses | Potential tax benefits |
| 2024-2025 | - | - | 1,542.64 | 481.30 |
| 2025-2026 | 1,960.07 | 611.54 | 1,960.07 | 611.54 |
| 2026-2027 | 1,392.36 | 434.42 | 1,392.36 | 434.42 |
| 2027-2028 | 695.32 | 216.94 | 695.32 | 216.94 |
| 2028-2029 | 360.89 | 112.60 | 360.89 | 112.60 |

Maturity period of unabsorbed depreciation for which no deferred tax are recognised in the financial statements:

| Year of expiry | March 31, 2022 | | March 31, 2021 | |
|------------------|-------------------------|------------------------|-------------------------|------------------------|
| | Unabsorbed depreciation | Potential tax benefits | Unabsorbed depreciation | Potential tax benefits |
| No expiry period | 4,096.66 | 1,278.16 | 2,874.97 | 896.99 |

Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for year ended March 31, 2022 and March 31, 2021

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Accounting Profit/(Loss) before income tax | (8,635.17) | (3,562.95) |
| At India's statutory income tax rate of 31.2% (March 31, 2021: 31.2%) | (2,694.17) | (1,111.64) |
| Other non-deductible items | 814.16 | (56.03) |
| Losses on which deferred taxes not recognised | - | 88.73 |
| Unabsorbed depreciation on which deferred taxes not recognised | 381.30 | 263.18 |
| Other temporary differences on which deferred taxes not recognised | 1,498.71 | 815.86 |
| Income tax expense reported in the profit and loss statement of financials statement. | - | - |

42. Ratio analysis and its elements

Ratios

| Particular | March 31, 2022 | March 31, 2021 | % Change from March 31, 2021 to March 31, 2022 |
|--|----------------|----------------|--|
| Current Ratio | 3.09 | 3.08 | 0% |
| Debt equity ratio (refer note (i) below) | 0.16 | 0.36 | 56% |
| Debt service coverage ratio | (1.26) | (1.01) | -24% |
| Return on equity ratio (refer note (ii) below) | (0.19) | (0.12) | -62% |
| Inventory turnover ratio (refer note (iii) below) | 230.97 | 160.14 | -44% |
| Trade receivable ratio (refer note (iv) below) | 8.77 | 5.96 | -47% |
| Trade payable Turnover ratio | 9.02 | 8.73 | -3% |
| Net capital turnover ratio | 2.26 | 1.83 | -23% |
| Net Profit Ratio (refer note (ii) below) | (0.15) | (0.10) | -43% |
| Return on capital employed (refer note (ii) below) | (0.22) | (0.23) | 2% |
| Return on investments FD (refer note (v) below) | 0.04 | 0.08 | 52% |
| Return on investments MF (refer note (v) below) | 0.04 | 0.06 | 35% |

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Reasons for variance of more than 25% in above ratios

- Change is on account of increase in equity on account of proceeds from issuance of securities premium on CCCPS issued during the period for series H and series I and equity shares to Fedex.
- Increase in Losses as on March 31, 2022 on account of non cash expenses of fair value loss on financial liability at fair value through profit and loss and one time bonus to senior employees
- Increase is on account of growth in revenue and better inventory management.
- Increase in sales as on March 31, 2022 and better Receivable mangement during the year ended March 31, 2022.
- Decrease is on account of decrease in yield rate on account of decrease in interest rate on year on year basis.

Elements of Ratios

| Particular | Numerator | Denominator | March 31, 2022 | | March 31, 2021 | |
|-----------------------------|---|--|----------------|-------------|----------------|-------------|
| | | | Numerator | Denominator | Numerator | Denominator |
| Current ratio | Current Assets | Current Liabilities | 38,720.80 | 12,546.62 | 28,258.86 | 9,169.98 |
| Debt equity ratio | Debt (Borrowings+ lease liabilities) | Shareholder's Equity | 9,692.18 | 61,571.46 | 10,325.75 | 28,974.38 |
| Debt service coverage ratio | Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets | Interest & Lease Payments + Principal Repayments | 4,089.72 | (3,247.22) | 2,533.72 | (2,500.26) |
| Return on equity ratio | Net Profits after taxes | Average Shareholder's Equity | (8,635.17) | 45,272.92 | (3,562.95) | 30,295.56 |
| Inventory turnover ratio | Net Sales | Average Inventory | 59,109.96 | 255.92 | 34,997.81 | 218.54 |
| Trade receivable ratio | Net Sales | Average Accounts Receivable | 59,109.96 | 6,739.90 | 34,997.81 | 5,873.73 |
| Trade payable ratio | Net Credit Purchases | Average Trade Payables | 48,958.02 | 5,429.85 | 29,837.71 | 3,418.22 |
| Net capital turnover ratio | Net Sales | Working Capital | 59,109.96 | 26,174.19 | 34,997.81 | 19,088.89 |
| Net profit ratio | Net Profit | Net Sales | (8,635.17) | 59,109.96 | (3,562.95) | 34,997.81 |
| Return on capital employed | Earning before interest and taxes | Tangible Net Worth + Total Debt + Deferred Tax Liability | (14,333.87) | 63,773.49 | (7,324.40) | 31,845.85 |
| Return on investments FD | Investment income (including OCI & Exceptional item) | Weighted average Investment (i.e. FD & margin Money) | 206.90 | 5,580.82 | 536.30 | 6,907.59 |
| Return on investments MF | Investment income (including OCI & Exceptional item) | Weighted average Investment (i.e. MFs, Shares & Bonds) | 803.85 | 19,235.58 | 694.28 | 10,773.87 |

43. The Company has not earned net profit in three immediately preceding financial years, therefore, there was no amount as per section 135 of the Act which was required to be spent on CSR activities in each of the respective financial years by the Company.

44. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

45. Other Statutory Information

The Company did not have any material transactions with companies struck off under sec 248 of the companies Act 2013 or section 560 of companies act, 1956 during the financial year except as mentioned below:

| Name of the struck off Company | Nature of transactions with struck off company | Balance outstanding as on March 31, 2022 | Balance outstanding as on March 31, 2021 | Relationship with the struck off company |
|---|--|--|--|--|
| An Impex Pvt Ltd | Receivables | 19.42 | 23.13 | Customer |
| Jollychic India Private Limited | Receivables | 1.04 | 1.04 | Customer |
| Flatworld Trading Pvt.Ltd. | Receivables | 0.87 | 0.87 | Customer |
| Abacus Trading Pvt Ltd | Receivables | 0.58 | 0.58 | Customer |
| Justlikeneew Technologies Private Ltd. | Receivables | 0.30 | 0.30 | Customer |
| Istage Entertainment Private Limited | Receivables | 0.23 | 0.23 | Customer |
| Tabasco Fashion Tech Pvt Ltd | Receivables | 0.18 | 0.18 | Customer |
| Konark Courier And Cargo (P). Limited | Receivables | 0.16 | 0.16 | Customer |
| Send My Gift Pvt Ltd | Receivables | 0.15 | 0.15 | Customer |
| E-Vahan Express Pvt Ltd | Receivables | 0.15 | 0.15 | Customer |
| Total Trading International Private Limited | Receivables | 0.10 | 0.10 | Customer |

46. Disclosure under Rule 11(e) of Companies (Audit & Auditors) Rules 2014

Following are the details of the funds advanced by the Group to Intermediaries for further advancing to the ultimate beneficiaries:

| Name of the intermediary to which the funds are advanced | Date of Funds advanced | Amount of funds advanced | Date on which funds are further advanced invested by Intermediaries to other intermediaries or ultimate beneficiaries | Amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or ultimate beneficiaries | Ultimate Beneficiary |
|--|------------------------|--------------------------|---|--|------------------------|
| Delhivery Singapore Pte. Ltd. | September 21, 2021 | 37.18 | December 13, 2021 | 37.18 | Delhivery Robotics LLC |

- The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).
- Complete details of the intermediary and ultimate beneficiary:

| Name of the entity | Registered Address | Government Identification Number (PAN) | Relationship with the Company |
|---|--|--|-------------------------------|
| Delhivery Singapore Pte. Ltd. (Intermediary) | 8, Cross Street, #24-03/04, Manulife Tower, Singapore 048424 | Not Applicable (foreign entity) | Subsidiary |
| Delhivery Robotics LLC (Ultimate Beneficiary) | 16192, Coastal Highway, Lewes, Delaware 19558, Country of Sussex | Not Applicable (foreign entity) | Step down Subsidiary |

- Further except to the transaction mentioned above:
 - The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.
 - The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - provide any guarantee, security, or the like on behalf of the ultimate beneficiaries,

Notes

To the Standalone Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

47. Subsequent Events:

Subsequent to the year ended March 31, 2022, the Company has completed its Initial Public Offer (IPO) of 10,74,97,225 equity shares of face value of ₹1 each at an issue price of ₹487 per share (including a share premium of ₹486 per share). A discount of ₹25 per share was offered to eligible employees bidding in the employee's reservation portion of 46,020 equity shares. The issue comprised of a fresh issue of 8,21,37,328 equity shares aggregating to ₹40,000.00 millions and offer for sale of 2,53,59,897 equity shares by selling shareholders aggregating to ₹12,350.00 Millions. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on May 24, 2022.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi
Date: May 30, 2022

**For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)**

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Amit Agarwal
Chief Financial Officer

Place: Gurugram
Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

Independent Auditor's Report

To the Board of Directors of Delhivery Limited (Formerly known as Delhivery Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Delhivery Limited (Formerly known as Delhivery Private Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the consolidated Balance sheet as at March 31, 2022, the consolidated Statement of Profit and Loss including the statement of Other Comprehensive Income, the consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2022, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 36(1)(d) to the Consolidated financial statements for the year ended 31 March 2022 regarding the Scheme of Arrangement ('the Scheme') for amalgamation of Vankatesh Pharma Private Limited ('the transferor Company') and Spoton Logistics Private Limited ('the Transferee Company'), which has been described in the aforesaid note. The Scheme has been approved by the NCLT vide its order dated November 27, 2019 with an appointed date of August 30, 2018 and a certified copy has been filed by the Company with the Registrar of Companies, Gujarat, on 10 January 2020. We further draw attention to the fact that in accordance with the Scheme approved by the NCLT, the Company continues to amortise Goodwill over a period of 5 years in the Consolidated financial statements, which overrides the relevant requirement of Ind AS 103 'Business Combinations' and Ind AS 36 'Impairment of assets' (according to which acquired Goodwill is not permitted to be amortised and is required to be tested annually for impairment). The financial impact of the aforesaid treatment has been disclosed in the Note 36(1)(d) to the Consolidated financial statements.

Our opinion is not modified in respect of this matter.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows

and consolidated changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Independent Auditor's Report (Contd.)

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 6 subsidiaries and 1 step-down subsidiary, whose financial statements include total assets of ₹964 Million as at March 31, 2022, and total revenues of ₹1,230 Million and net cash inflows of ₹133 Million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.
- (b) The consolidated financial statements also include the Group's share of net loss of ₹32 Million for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of this associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraphs 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, none of the directors of the Group's companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, to its directors in accordance with the provisions of section 197 read with Schedule V to the Act. Further, the provisions of section 197 read with Schedule V of the Act are not applicable to the subsidiaries incorporated in India for the year ended March 31, 2022;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group in its consolidated financial statements – Refer Note 38 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2022;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India during the year ended March 31, 2022.
 - iv. a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements

have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the note 48 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of its knowledge and belief, other than as disclosed in the note 48 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

Independent Auditor's Report (Contd.)

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v) No dividend has been declared or paid during the year by the Holding Company, its subsidiaries, incorporated in India.

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AJXBAF3014
Place of Signature: New Delhi
Date: May 30, 2022

Annexure 1 to the Auditor's Report

referred to in paragraph 1 of report on other legal and regulatory requirements

Re: Delhivery Limited (Formerly known as Delhivery Private Limited)

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

| S. No. | Name | CIN | Holding company/ subsidiary | Clause number of the CARO report which is qualified or is adverse |
|--------|---|-----------------------|-----------------------------|---|
| 1 | DelhiveryLimited | U63090DL2011PLC221234 | Holding Company | Clause vii(a) |
| 2 | Delhivery Freight Services Private Limited | U63090DL2020PTC363367 | Subsidiary Company | Clause vii(a) |
| 3 | Spoton Logistics Private Limited | U63090GJ2011PTC108834 | Subsidiary Company | Clause vii(a) |
| 4 | Spoton Supply Chain Solutions Private Limited | U74200TN2008PTC067564 | Step-down Subsidiary | Clause vii(a) |

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha
Partner
Membership Number: 094941
UDIN: 22094941AJXBAF3014
Place of Signature: New Delhi
Date: May 30, 2022

Annexure 2 to the Independent Auditor's Report

Of even date on the consolidated financial statements of Delhivery Limited (Formerly known as Delhivery Private Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Delhivery Limited (Formerly known as Delhivery Private Limited) as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Delhivery Limited (hereinafter referred to as the "Holding Company") and its 2 subsidiaries, which are the companies incorporated in India, as of that date. This report, however, does not include report on the internal financial controls under clause (i) of Sub-section 3 of Section 143 of the Act for the 2 subsidiaries and 1 step down subsidiary, since in our opinion and according to the information and explanation given to us, the said Report on Internal Financial Controls is not applicable to the aforesaid subsidiary companies basis the exemption available to the companies under MCA notification no. G.S.R. 583(E) dated July 13, 2017 on reporting on internal financial controls.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, which is the company incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its 2 subsidiary companies, which are the companies incorporated in India, has, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha

Partner

Membership Number: 094941

UDIN: 22094941AJXBAF3014

Place of Signature: New Delhi

Date: May 30, 2022

Consolidated Balance Sheet

as at March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Notes | March 31, 2022 | March 31, 2021 |
|--|-------|------------------|------------------|
| Assets | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 3 | 6,225.40 | 2,379.71 |
| Right-of-use assets | 34 | 6,940.54 | 7,828.04 |
| Capital work in progress | 3 | 584.08 | 765.15 |
| Goodwill | 4 | 13,799.04 | 186.48 |
| Other Intangible assets | 4 | 3,559.59 | 139.55 |
| Intangible assets under development | 4 | 14.99 | 2.40 |
| Financial assets | | | |
| i) Investments | 5 | 6,295.06 | 4,205.89 |
| ii) Other financial assets | 9 | 3,718.57 | 886.62 |
| Non-current tax assets (net) | 10 | 1,550.91 | 1,231.69 |
| Other non-current assets | 11 | 220.06 | 47.47 |
| Total Non-current Assets | | 42,908.24 | 17,673.00 |
| Current Assets | | | |
| Inventories | 6 | 253.06 | 259.48 |
| Financial assets | | | |
| i) Investments | 5 | 14,612.33 | 7,075.64 |
| ii) Trade receivables | 7 | 9,902.50 | 5,945.82 |
| iii) Cash and cash equivalent | 12 | 2,290.00 | 2,758.63 |
| iv) Other bank balances | 13 | - | 15.78 |
| v) Loans | 8 | 89.31 | 264.21 |
| vi) Other financial assets | 9 | 9,590.50 | 10,815.26 |
| Other current assets | 11 | 2,862.06 | 1,170.16 |
| Total Current Assets | | 39,599.76 | 28,304.98 |
| Total Assets | | 82,508.00 | 45,977.98 |
| Equity and Liabilities | | | |
| Equity | | | |
| Equity share capital | 14 | 642.11 | 16.33 |
| Instruments entirely equity in nature | 14 | - | 353.99 |
| Other equity | 15a | 58,931.58 | 27,997.65 |
| Total Equity | | 59,573.69 | 28,367.97 |
| Liabilities | | | |
| Non-current Liabilities | | | |
| Financial Liabilities | | | |
| i) Borrowings | 16 | 1,176.11 | 1,316.09 |
| ii) Lease liabilities | 34 | 5,727.52 | 6,538.44 |
| Provisions | 18 | 382.55 | 219.16 |
| Deferred tax liabilities (net) | 31 | 629.13 | - |
| Total Non-current Liabilities | | 7,915.31 | 8,073.69 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| i) Borrowings | 16 | 2,355.28 | 1,697.34 |
| ii) Lease liabilities | 34 | 1,756.28 | 1,617.16 |
| iii) Trade payables | 20 | | |
| (a) Total outstanding dues of micro and small enterprises | | 44.74 | 20.52 |
| (b) Total outstanding dues of creditors other than micro and small enterprises | | 8,300.26 | 4,401.78 |
| iv) Other financial liabilities | 17 | 1,498.48 | 1,305.75 |
| Provisions | 18 | 207.18 | 121.67 |
| Other current liabilities | 19 | 856.78 | 370.90 |
| Current tax liabilities (net) | | - | 1.20 |
| Total Current Liabilities | | 15,019.00 | 9,536.32 |
| Total Liabilities | | 22,934.31 | 17,610.01 |
| Total Equity and Liabilities | | 82,508.00 | 45,977.98 |
| Summary of significant accounting policies | 2.2 | | |

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi
Date: May 30, 2022

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Amit Agarwal
Chief Financial Officer

Place: Gurugram
Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

Consolidated Statement of Profit and loss

for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Notes | March 31, 2022 | March 31, 2021 |
|--|-------|--------------------|-------------------|
| Income | | | |
| Revenue from contracts with customers | 21 | 68,822.86 | 36,465.27 |
| Other income | 22 | 1,561.41 | 1,917.64 |
| Total Income (I) | | 70,384.27 | 38,382.91 |
| Expenses | | | |
| Freight, Handling and Servicing Costs | 23 | 49,801.80 | 27,780.82 |
| Purchase of traded goods | | 1,750.22 | 102.08 |
| Change in inventory of traded goods | 25 | (28.75) | - |
| Employee benefits expense | 24 | 13,132.65 | 6,109.23 |
| Fair value loss on financial liabilities at fair value through profit or loss | 16 | 2,997.39 | 91.95 |
| Finance costs | 28 | 995.29 | 886.27 |
| Depreciation and amortisation expense | 27 | 6,107.47 | 3,546.20 |
| Other expenses | 26 | 5,889.23 | 3,610.49 |
| Total Expenses (II) | | 80,645.30 | 42,127.04 |
| Loss before exceptional items, share of net loss of associate accounted for using equity method and tax (III= I-II) | | (10,261.03) | (3,744.13) |
| Share of loss of associates (net) (IV) | 41 | (32.27) | - |
| Loss before exceptional items and tax (V= III+IV) | | (10,293.30) | (3,744.13) |
| Exceptional Items (VI) | 29 | - | (413.30) |
| Loss before tax (VII= V+VI) | | (10,293.30) | (4,157.43) |
| Tax expense | 31 | | |
| Current tax | | 100.72 | - |
| Deferred tax | | (284.02) | - |
| Total Tax Expense (VIII) | | (183.30) | - |
| Loss for the year (IX= VII-VIII) | | (10,110.00) | (4,157.43) |
| Other comprehensive Income/(Loss): | | | |
| a) Items that will not be reclassified to statement of profit and loss in subsequent years: | | | |
| Re-measurement gain on defined benefit plan | | 23.13 | 10.38 |
| Income tax relating to items that will not be re-classified to profit and loss | | (3.02) | - |
| Subtotal (a) | | 20.11 | 10.38 |
| b) Items that will be reclassified to statement of profit or loss in subsequent years: | | | |
| Exchange differences on translation of foreign operations | | (5.74) | (8.32) |
| Income tax relating to items that will be re-classified to profit and loss | | - | - |
| Subtotal (b) | | (5.74) | (8.32) |
| Total Other Comprehensive Income for the year (X= a+b) | | 14.37 | 2.06 |
| Total Comprehensive Loss for the year (XI= IX+X) | | (10,095.63) | (4,155.37) |
| Loss per equity share | 30 | | |
| Basic | | (16.98) | (8.05) |
| Diluted | | (16.98) | (8.05) |
| Summary of significant accounting policies | 2.2 | | |

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi
Date: May 30, 2022

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Amit Agarwal
Chief Financial Officer

Place: Gurugram
Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

Consolidated Cash Flow Statement

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | March 31, 2021 |
|--|--------------------|-----------------|
| A) Operating Activities | | |
| Loss before tax | (10,293.30) | (4,157.43) |
| Adjustment to reconcile loss before tax to net cash flows | | |
| Depreciation of property, plant and equipment | 2,433.12 | 1,567.32 |
| Amortization of intangible assets | 1,337.15 | 76.56 |
| Depreciation of right-of-use assets | 2,337.20 | 1,902.32 |
| Allowances for doubtful debts | 1,154.92 | 894.78 |
| Bad debt written off | 2.55 | 4.45 |
| Allowances for doubtful advances | 26.60 | 47.53 |
| Provision for doubtful debts | - | 413.30 |
| Share based payment expense | 3,084.21 | 723.12 |
| Share of loss of associates (net) | 32.27 | - |
| Interest expense | 241.74 | 198.64 |
| Interest on lease liability | 742.60 | 683.05 |
| Stamp duty | - | (2.58) |
| Fair value gain on Investment at fair value through profit or loss | (300.43) | (325.01) |
| Assets written off | 2.05 | - |
| Gain on modification / termination of lease contracts | (210.27) | (99.76) |
| Rent waiver on lease liabilities | - | (33.80) |
| Interest Income | (569.85) | (1,150.36) |
| Interest income on unwinding of discount on security deposits paid | (139.88) | (105.63) |
| Net gain on sale of current investments | (174.59) | (100.81) |
| Net gain on sale of non current investments | (22.50) | - |
| Fair value loss on financial liabilities at fair value through profit or loss | 2,997.39 | 91.95 |
| Profit on disposal of property, plant and equipment | (0.08) | (2.95) |
| Operating Profit before working capital changes | 2,680.90 | 624.69 |
| Movements in working capital: | | |
| Decrease/(Increase) in inventories | 6.43 | (81.17) |
| Increase in trade and other receivables | (3,318.00) | (831.62) |
| Increase in financial assets | (3,873.83) | (1,007.50) |
| Increase in other assets | (733.69) | (303.01) |
| Decrease/(Increase) in loans | 174.91 | (237.44) |
| Increase in trade payables | 2,625.37 | 1,689.64 |
| (Decrease)/Increase in other liabilities | (49.66) | 304.55 |
| Increase in provisions | 214.10 | 71.10 |
| Cash flow from/(used in) operations | (2,273.47) | 229.24 |
| Income taxes paid (net) | (131.87) | (181.55) |
| Net cash from/(used in) operating activities (A) | (2,405.34) | 47.69 |
| B) Investing Activities | | |
| Purchase of property, plant & equipment (including Other Intangible assets, capital work in progress and capital advances) | (5,439.36) | (2,509.39) |
| Proceeds from property, plant & equipment (including other intangible assets) | 41.80 | 23.71 |
| Payment towards acquisition of business (net of cash & cash equivalents) (refer note 36 (1)) | (13,866.77) | (35.00) |
| Asset acquisition through assets purchase agreement (refer note 36.2 (a)) | (1,848.67) | - |
| Investment in associates (refer note 36.3) | (2,518.94) | - |
| Proceeds from sale of investment in associate | 22.50 | - |
| Proceeds from sale of financial assets - Liquid mutual fund units, debt instruments | 25,564.19 | 10,217.69 |
| Payment to acquire financial assets - Liquid mutual fund units, debt instruments | (32,228.27) | (9,196.60) |
| Maturity of bank deposits (having original maturity of more than 12 months) including margin money deposits | 9,153.32 | 2,484.66 |
| Investments in bank deposits (having original maturity of more than 12 months) including margin money deposits | (7,639.31) | (1,227.49) |
| Maturity of bank deposits (having original maturity of more than 3 months) | 15.78 | 2,870.84 |
| Interest received | 1,322.48 | 754.50 |
| Net cash from/(used in) investing activities (B) | (27,421.25) | 3,382.92 |

Consolidated Cash Flow Statement

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | March 31, 2021 |
|--|------------------|-------------------|
| C) Financing Activities | | |
| Proceeds from issuance of equity share capital (including stock options exercised) | 8,457.88 | 98.25 |
| Proceeds from issuance of share capital (Instruments entirely equity in nature) | 25,501.56 | - |
| Proceeds from issuance of compulsorily convertible preference shares | 956.22 | 92.88 |
| (Repayment) / Proceeds from long term borrowings (net) | (2,994.47) | 323.44 |
| Interest paid | (239.32) | (205.34) |
| Payment of interest portion of lease liabilities | (742.60) | (683.05) |
| Payment of principal portion of lease liabilities | (1,939.03) | (1,435.51) |
| Repayments of short term borrowings | (842.29) | (500.00) |
| Proceeds from short term borrowings | 859.93 | 842.34 |
| Net cash from/(used in) financing activities (C) | 29,017.88 | (1,466.99) |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | (808.71) | 1,963.62 |
| Cash and cash equivalents at beginning of the year | 2,758.63 | 795.01 |
| Cash and cash equivalents at end of the year (refer note 12) | 1,949.92 | 2,758.63 |

| Non Cash Financing Activities | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Gain on modification / termination of lease contracts (refer note 22.2) | (210.27) | (99.76) |
| Rent waiver on lease liabilities (refer note 22.2) | - | (33.80) |
| Fair value loss on financial liability at fair value through profit and loss | 2,997.39 | 91.95 |

| Non-cash investing activities | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Portion of market based measure of Spoton share-based payments scheme attributable to pre-combination service (refer note 36 (1) (a)) | 106.74 | - |
| Provision for termination benefit (Employee actuarial liability) (refer note 36.2 (a)) | 34.80 | - |
| Security Deposits (assets) (refer note 36.2 (a)) | (19.20) | - |

| Reconciliation of liabilities arising from financing activities | | | | |
|---|----------------|------------|------------------|----------------|
| Particulars | March 31, 2022 | Cash Flows | Non cash changes | March 31, 2021 |
| Long-term borrowings | 2,331.38 | (2,994.47) | 3,339.54 | 1,986.31 |
| Short-term borrowings | 859.93 | 17.64 | - | 842.29 |
| Lease liabilities | 7,483.80 | (2,681.63) | 2,009.83 | 8,155.60 |

| Particulars | March 31, 2021 | Cash Flows | Non cash changes | March 31, 2020 |
|-----------------------|----------------|------------|------------------|----------------|
| Long-term borrowings | 1,986.31 | 323.54 | - | 1,662.77 |
| Short-term borrowings | 842.29 | 342.29 | - | 500.00 |
| Lease liabilities | 8,155.60 | (2,118.56) | 5,295.85 | 4,978.31 |

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi
Date: May 30, 2022

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Amit Agarwal
Chief Financial Officer

Place: Gurugram
Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

Consolidated Statement of changes in equity

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

A. Equity Share Capital (refer note 14)

| Equity shares of ₹1 each issued (March 31, 2021, March 31, 2020- ₹10 each) fully paid | Number | Amount |
|--|--------------------|---------------|
| At March 31, 2020 | 974,952 | 9.75 |
| Add: Issued during the year (stock options exercised) | 14,277 | 0.14 |
| Add: Converted from CCCPS during the year (refer note 14) | 640,000 | 6.40 |
| Add: Issued during the year (₹1 per share paid up) | 38,701 | 0.04 |
| At March 31, 2021 | 1,667,930 | 16.33 |
| Add: Issued during the year (including stock options exercised) | 21,509,326 | 23.08 |
| Add: Converted from CCCPS during the year (refer note 16 and 14) | 425,120,603 | 426.16 |
| Add: Bonus shares issued during the year | 17,618,927 | 176.19 |
| Add: Amount called up during the year | - | 0.35 |
| Add: Equity shares arising on shares split from ₹10 to ₹1 per share | 176,189,315 | - |
| At March 31, 2022 | 642,106,100 | 642.11 |
| Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹10/- each (Series A) issued, subscribed and fully paid | | |
| At March 31, 2020 | 291,667 | 2.92 |
| Add: Issued during the year | - | - |
| Less: Converted to equity during the year (refer note 14) | (291,667) | (2.92) |
| At March 31, 2021 | - | - |
| Add: Issued during the year | - | - |
| At March 31, 2022 | - | - |
| Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100 each (Series B, C, D, D1, E, F, H and I) issued, subscribed and fully paid | | |
| At March 31, 2020 | 3,888,068 | 388.81 |
| Add: Issued during the year | - | - |
| Less: Converted to equity during the year (refer note 14) | (348,333) | (34.82) |
| At March 31, 2021 | 3,539,735 | 353.99 |
| Add: Issued during the year | 710,310 | 71.01 |
| Less: Converted to equity during the year (refer note 14) | (4,250,045) | (425.00) |
| At March 31, 2022 | - | - |

Consolidated Statement of changes in equity

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Description | Attributable to the equity holders of the Company | | Items of OCI | | Total |
|--|---|-------------------|---|-------------|------------------|
| | Reserves and Surplus | Retained earnings | Exchange differences on translating the financial statements of a foreign operation | | |
| Balance as at April 01, 2021 | 74,306.86 | 1,958.24 | (48,279.41) | 11.96 | 27,997.66 |
| Loss for the year | - | - | (10,110.00) | - | (10,110.00) |
| Other comprehensive income/(loss) | - | 20.11 | - | - | 20.11 |
| - Re-measurement gains on defined benefit plans | - | - | - | - | - |
| - Exchange differences on translating the financial statements of a foreign operation | - | - | (5.74) | (5.74) | (5.74) |
| Total comprehensive loss | - | (10,089.88) | (5.74) | - | (10,095.63) |
| Add: ESOP's exercised (Transferred ₹1,589.09 million from share based payment reserve) | 1,863.89 | - | - | - | 1,863.89 |
| Less: Transferred to securities premium on exercise of stock options | - | (1,589.09) | - | - | (1,589.09) |
| Add: ESOP Expenses on acquisition of subsidiary | 106.70 | - | - | - | 106.70 |
| Add: Securities premium on equity issued during the year | 8,171.06 | - | - | - | 8,171.06 |
| Add: Securities premium on CCCPS issued during the year (series H and series I) | 25,599.70 | - | - | - | 25,599.70 |
| Add: Premium on conversion of preference share to equity share | 4,138.45 | - | - | - | 4,138.45 |
| Less: Bonus issued during the year | (176.19) | - | - | - | (176.19) |
| Less: Share issues Expenses (Series H and I) | (169.17) | - | - | - | (169.17) |
| Add: Share based payment expense | - | 3,084.21 | - | - | 3,084.21 |
| Balance as at March 31, 2022 | 113,734.60 | 3,560.06 | (58,369.30) | 6.22 | 58,931.58 |

B. Other Equity (refer note 15) For the year ended March 31, 2022

Consolidated Statement of changes in equity

for year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Description | Attributable to the equity holders of the Company | | | Items of OCI | | Total |
|---|---|--------------------|-----------------------------|-------------------|---|-------|
| | Reserves and Surplus | Securities premium | Share Based Payment Reserve | Retained earnings | Exchange differences on translating the financial statements of a foreign operation | |
| Balance as at April 01, 2020 | 74,069.68 | 1,344.99 | (44,132.36) | 20.28 | 31,302.59 | |
| Loss for the year | - | - | (4,157.43) | - | (4,157.43) | |
| Other comprehensive income/(loss) | | | | | | |
| - Re-measurement gains on defined benefit plans | - | - | 10.38 | - | 10.38 | |
| - Exchange differences on translating the financial statements of a foreign operation | - | - | - | (8.32) | (8.32) | |
| Total comprehensive loss | | | (4,147.05) | (8.32) | (4,155.37) | |
| Add: ESOPs exercised (Transferred ₹109.87 millions from share based payment reserve) | 128.87 | - | - | - | 128.87 | |
| Add: Securities premium on equity shares issued during the year | 77.36 | - | - | - | 77.36 | |
| Add: Premium on conversion of preference share to equity share | 31.35 | - | - | - | 31.35 | |
| Add: Share based payment expense | - | 723.12 | - | - | 723.12 | |
| Less: Transferred to securities premium on exercise of stock options | - | (109.87) | - | - | (109.87) | |
| Less: Share issue expense | (0.40) | - | - | - | (0.40) | |
| Balance as at March 31, 2021 | 74,306.86 | 1,958.24 | (48,279.41) | 11.96 | 27,997.65 | |
| Summary of significant accounting policies | 2.2 | | | | | |

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no. 094941

Place: New Delhi
Date: May 30, 2022

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Amit Agarwal
Chief Financial Officer

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

Place: Gurugram
Date: May 30, 2022

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Corporate Information

Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred to as "The company" or "Delhivery"), was incorporated as SSN Logistics Private Limited on June 22, 2011 under the provisions of the Companies Act, 1956. The company changed its name to Delhivery Private Limited as of 8th Day of December 2015. The registered office of the company is located at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi-110037.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 29, 2021 and consequently the name of the Company has changed to Delhivery Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on October 12, 2021.

The company and its subsidiaries (collectively referred to as "the Group") is engaged in the business of warehousing and last mile logistics and also involved in designing and deploying logistics management systems, provide logistics and supply chain consulting/advice, provide inbound/procurement support and other activities of a similar nature.

The consolidated financial statements for the year ended March 31, 2022, were approved by the Board of Directors and authorized for issue on May 30, 2022.

2. Basis of preparation of financial statements and Significant Accounting Policies

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with the requirements of Indian Accounting Standard 34 specified under section 133 of the Companies Act 2013 ("the Act"), read with of the Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The consolidated financial statements have been prepared under the historical cost convention on the accrual basis except certain financial instrument which are measured at fair values, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

The consolidated financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest million (as per the requirement of Schedule III), unless otherwise stated.

2.2 Summary of significant accounting policies

a) Use of estimates

The preparation of the consolidated financial statements in conformity with the principles of Ind AS requires

the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

b) Business combination and goodwill

Business combinations are accounted for using the acquisition method.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisition method

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The excess of the

- (i) consideration transferred;
- (ii) amount of any non-controlling interest in the acquired entity, and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in Consolidated statement of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised Consolidated statement of profit and loss or other comprehensive income, as appropriate.

Investment in associates

Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associates, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit and loss of an associate is shown on the face of the Consolidated statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

the loss as 'Share of loss of an associate' in the Consolidated statement of profit and loss.

Upon loss of significant influence over associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the Consolidated statement of profit and loss.

c) Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

d) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency is the currency of the primary economic environment in which the entities forming part of Group operates and is normally the currency in which the entities forming part of Group primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in consolidated statement of profit and loss with the exception of the following:

- i) In the consolidated financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit and loss on disposal of the net investment.
- ii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign subsidiaries and branches

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their consolidated statement of profit and loss are translated at exchange rates prevailing at the dates of the transactions.

For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the Consolidated statement of profit and loss.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz., 01 April 2016. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date

e) Fair value measurement

The Group measures financial instruments such as Investment in cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments at fair value at each balance sheet date

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis,

the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments measured at fair value. The team comprises of the Chief Financial Officer (CFO) and Finance Controller.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided on the basis of nature of transaction and complexity involved. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

f) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any

Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Consolidated statement of profit and loss as incurred.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

On transition to Ind AS, the group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 01 April 2017 measured as

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on all property plant and equipment are provided on a written down value based on the estimated useful life of the asset, which is as follows:

| Property, plant and equipment | Useful lives as per Schedule II | Useful lives estimated by management |
|-------------------------------|---------------------------------|--------------------------------------|
| Computer | 3 years | 3 years |
| Computer server | 6 years | 6 years |
| Office equipment | 5 years | 3 -5years |
| Furniture & Fittings | 10 years | 5 years |
| Vehicles | 8 years | 3.86 years |
| Plant and Machinery | 10 years | 5 years |

Leasehold improvements are amortised over five years or life based on lease period.

The useful life of vehicles, furniture and fittings, computers, plant and machinery are estimated as 3.86, 5 and 5 years respectively. These lives are lower than those indicated in schedule II to Companies Act 2013.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives based on management's technical assessment of their respective economic useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated statement of profit and loss when the asset is derecognised.

g) Intangible assets

Intangible assets (mainly includes software and trade marks) acquired separately are measured on initial recognition at cost. The amortisation period and the amortisation method for an Intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated statement of

profit and loss unless such expenditure forms part of carrying value of another asset.

IT Softwares and Trademarks are to be depreciated 5 years as its useful life.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated statement of profit and loss when the asset is derecognised.

Intangible assets acquired in business combination, include non-compete and customer relationship which are amortized over the period of five years on written down value basis

h) Leases

On initial application of Ind AS 116, the Group has taken the cumulative adjustment to retained earning and Lease equalization reserve, consequently the group discounted using the Group's incremental borrowing rate at April 01, 2019 whereas the Group has elected to measure ROU at its carrying amount as if Ind AS 116 had been applied since the lease commencement date, but discounted using the Group's incremental borrowing rate at April 01, 2019.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (r) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short term leases

The Group applies the short-term lease recognition exemption to its properties (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

i) Inventories

Inventories are valued at lower of cost and net realisable value. Inventory primarily consist of packing material and consumables.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

j) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customers.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 30 of the consolidated financial statements.

Performance obligation

At contract inception, the Group assess the goods and services promised in contracts with customers and identifies various performance obligations to provide distinct goods and services to the customers. The Group has determined following distinct goods and services that represent its primary performance obligation.

The transaction price of goods sold and services rendered is net of variable consideration on account of various elements like discounts etc. offered by the Group as part of the contract

Delivery services includes:

- Revenue from Express Parcel Services
- Revenue from Part Truck Load Services (PTL)
- Revenue from Truck Load Services (TL)
- Revenue from cross – border services

Revenue from these services are recognized over the period as they are satisfied over the contract term, which generally represents the transit period including the incomplete trips at the reporting date. The transit period can vary based upon the method of transport, generally a couple days for over the road, rail, and air transportation, or several weeks in the case of an ocean shipment. Group also provide certain ancillary logistics services, such as handling of goods, customs clearance services etc. The service period for these services is usually for a very short duration, generally few days or weeks. Hence, revenue from these services is recognised over the service period as the Group perform the primary obligation of delivery of goods.

Other allied services includes:

- Revenue from supply chain services

Revenue from these services are recognised over time as the customer simultaneously avails the benefits of these services. Hence, the revenue from such services is recognised on a monthly basis, basis the amount fixed as per the agreements.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The group collects Goods & Service Tax (GST) GST on behalf of the government and, therefore, it is not an economic benefit flowing to the group. Hence, it is excluded from revenue.

Sale of goods

Revenue from sale of goods is recognized at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customers (if any).

Dividend

Dividend income is recognized when the group's right to receive dividend is established by the reporting date.

Interest

Interest income is recognized when it is probable that the economic benefits will flow to the Group and amount of income can be measured reliably.

Contract balances

The Policy for Contract balances i.e. contract assets, trade receivables and contract liabilities is as follows:

Contract assets

A contract asset is the right to receive consideration in exchange for services already transferred to the customer (which consist of unbilled revenue). By transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is unconditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to deliver services to a customer for which the Group has received consideration or part thereof (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group deliver services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund and social security is a defined contribution scheme. The group has no obligation, other than the contribution payable to the provident fund/social security. The group recognizes contribution payable to the provident fund scheme/ social security scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Consolidated statement of profit and loss in subsequent periods.

Past service costs are recognised in the consolidated statement profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The group recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Group also operates a leave encashment plan. The group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the consolidated statement of assets and liabilities if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

l) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside consolidated statement profit and loss is recognised outside consolidated statement profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Advance taxes and provisions for current income taxes are presented in the consolidated balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss,
- ii) In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss,
- ii) In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Consolidated statement of profit and loss is recognised outside Consolidated statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

m) Share based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Consolidated statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through Consolidated statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

o) Earning per share

Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders of the Parent Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity and preference shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders of the Parent Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions and contingent liabilities

i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii) Contingent liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or is a present obligation that arises from past event but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

iii) Decommissioning liability

The Group records a provision for decommissioning costs of leasehold premises. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the Consolidated statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Consolidated statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurements

For purposes of subsequent measurement, financial assets are classified in two categories:

- i) Financial assets carried at amortised cost
- ii) Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included

in finance income in the Consolidated statement of profit and loss.

Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial assets instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated statement of profit and loss.

Equity instruments

The Group subsequently measures all equity investments in scope of Ind AS 109 at fair value, with net changes in fair value recognised in the Consolidated statement of profit and loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Group's consolidated balance sheet when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the group has transferred substantially all the risks and rewards of the asset, or (b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the group could be required to repay.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Impairment of financial assets

In accordance with Ind AS 109, the group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and bank balance
- ii) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

ECL is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the Consolidated statement of profit and loss.

The consolidated balance sheet presentation for various financial instruments is described below:

- i. Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the consolidated Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include Compulsorily Convertible Preference, trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading or financial

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit and loss

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated statement of profit and loss. The group has designated CCPS to be measured at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a

pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses are recognised in the Consolidated statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

t) Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

u) Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognized and included in equity since conversion option meets Ind AS 32 criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible preference shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognized.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its associate for the year ended March 31, 2022 and March 31, 2021.

Subsidiaries:

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Group has:

- i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- ii) Exposure, or rights, to variable returns from its involvement with the investee, and

- iii) The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the years are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on March 31, 2022 and March 31, 2021

Consolidation procedure:

- i. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill/ reserve.
- iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group [profits or losses resulting from intragroup transactions that are recognised in assets (if any), such as inventory, are eliminated in full]. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidated statement of profit and loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit and loss
- Reclassifies the parent's share of components previously recognised in OCI to profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.4 Change in accounting policies and disclosures

1. Change in EBITDA Policy

Up-to financial year ended March 31, 2021, the entity was disclosing (Earnings before interest, tax, depreciation, and amortisation) (EBITDA) as a separate line item on the face of statement of profit and loss. Effective financial ended March 31, 2022, the company has omitted the disclosure of EBITDA.

This change aligns the entity's accounting policy with the general industry practice, thereby enhancing the comparability of the entity's financial statements with those of other market participants within the industry. This voluntary change in accounting policy has been disclosed by changing the presentation of comparative information for the preceding period. The change in accounting policy has impacted the financial statements as follows:

| Statement of profit and Loss | March 31, 2022 (without considering the effect of change in accounting policy) | Increase/ (decrease) due to change in accounting policy | March 31, 2022 (after considering the effect of change in accounting policy) | March 31, 2021 (as previously reported) | Increase/ (decrease) due to change in accounting policy | March 31, 2021 (restated) |
|---------------------------------------|--|---|--|---|---|---------------------------|
| Other Income | 851.69 | 709.72 | 1561.41 | 661.65 | 1,255.99 | 1,917.64 |
| Finance Income | 709.72 | (709.72) | - | 1,255.99 | (1,255.99) | - |
| Finance cost | 995.29 | - | 995.29 | 886.27 | - | 886.27 |
| Depreciation and amortisation expense | 6,107.47 | - | 6,107.47 | 3,546.20 | - | 3,546.20 |
| EBITDA | (3,867.99) | 3,867.99 | - | (567.65) | 567.65 | - |

The change in accounting policy had no impact on previously reported financial position and cash flows from operating, investing and financing activities.

2. New and amended new standard

(i) Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

These amendments had no impact on the financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

(ii) Conceptual framework for financial reporting under Ind AS issued by ICAI

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standard-setter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Group.

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment

applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Group for year ended March 31, 2022.

(ii) Amendments to Ind AS 103 Business Combinations

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards* issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Group.

(iii) Amendment to Ind AS 105, Ind AS 16 and Ind AS 28

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Group.

(iv) Amendment to Schedule III

The Group has considered the amendments to Schedule III of the Companies Act 2013 notified by Ministry of Corporate Affairs ("MCA") via notification dated March 24, 2021, in the Consolidated Financial Statements disclosures, wherever applicable.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Computers/ Servers | Office Equipment | Furniture and Fixtures | Vehicles* | Plant and Equipment | Leasehold Improvements | Land and Building (refer note 1) | Total | Capital work in progress |
|---|--------------------|------------------|------------------------|-----------|---------------------|------------------------|----------------------------------|-----------|--------------------------|
| Gross carrying value | | | | | | | | | |
| At April 01, 2020 | 607.84 | 1,377.08 | 1,168.52 | 514.29 | 961.33 | 1,015.73 | - | 5,644.79 | 267.22 |
| At April 01, 2020 | 607.84 | 1,377.08 | 1,168.52 | 514.29 | 961.33 | 1,015.73 | - | 5,644.79 | 267.22 |
| Additions | 181.03 | 462.89 | 314.58 | 70.84 | 155.09 | 426.56 | - | 1,610.99 | 517.90 |
| Disposals/ capitalised during the year | (61.83) | (30.69) | (29.70) | (14.88) | - | (29.33) | - | (166.43) | (19.97) |
| At March 31, 2021 | 727.04 | 1,809.28 | 1,453.40 | 570.25 | 1,116.42 | 1,412.96 | - | 7,089.35 | 765.15 |
| At April 01, 2021 | 727.04 | 1,809.28 | 1,453.40 | 570.25 | 1,116.42 | 1,412.96 | - | 7,089.35 | 765.15 |
| Asset Acquired through assets purchase agreement (refer note 36.2 (a))* | 28.19 | 104.30 | 9.78 | 216.19 | 4.59 | 44.48 | 61.93 | 469.46 | - |
| Asset acquired on acquisition of business (refer note 36.1 (a)) | 44.62 | 42.61 | 15.48 | 0.97 | 37.15 | 50.76 | - | 191.59 | - |
| Additions | 606.80 | 1,082.63 | 890.47 | 960.92 | 1,376.96 | 741.37 | - | 5,659.15 | 598.74 |
| Disposals/ capitalised during the year | (99.46) | (134.84) | (100.06) | (6.79) | (27.44) | (24.08) | - | (392.67) | (779.81) |
| At March 31, 2022 | 1,307.19 | 2,903.98 | 2,269.07 | 1,741.54 | 2,507.68 | 2,225.49 | 61.93 | 13,016.88 | 584.08 |
| Accumulated depreciation | | | | | | | | | |
| At April 01, 2020 | 415.40 | 739.97 | 707.02 | 240.48 | 551.89 | 631.12 | - | 3,285.88 | - |
| At April 01, 2020 | 415.40 | 739.97 | 707.02 | 240.48 | 551.89 | 631.12 | - | 3,285.88 | - |
| Charge for the year | 175.20 | 420.73 | 315.11 | 183.23 | 221.80 | 251.25 | - | 1,567.32 | - |
| Disposals | (56.89) | (25.22) | (24.48) | (14.88) | - | (22.09) | - | (143.56) | - |
| At March 31, 2021 | 533.71 | 1,135.48 | 997.65 | 408.83 | 773.69 | 860.28 | - | 4,709.64 | - |
| At April 01, 2021 | 533.71 | 1,135.48 | 997.65 | 408.83 | 773.69 | 860.28 | - | 4,709.64 | - |
| Charge for the year | 285.44 | 562.15 | 374.26 | 278.35 | 538.42 | 394.50 | - | 2,433.12 | - |
| Disposals | (92.82) | (114.72) | (95.55) | (5.87) | (25.71) | (16.61) | - | (351.28) | - |
| At March 31, 2022 | 726.33 | 1,582.91 | 1,276.36 | 681.31 | 1,286.40 | 1,238.17 | - | 6,791.48 | - |
| Net block | | | | | | | | | |
| Balance as on March 31, 2022 | 580.86 | 1,321.07 | 992.71 | 1,060.24 | 1,221.28 | 987.32 | 61.93 | 6,225.40 | - |
| Balance as on March 31, 2021 | 193.33 | 673.80 | 455.75 | 161.42 | 342.73 | 552.68 | - | 2,379.71 | - |

Vehicles under loan contracts as at March 31, 2022 were ₹1,522.22 millions (March 31, 2021: ₹561.30 millions). Additions during the year ended March 31, 2022 is ₹960.92 millions (March 31, 2021: ₹70.84 millions). Loans assets are hypothecated as security for the related loan.

Note 1: Title deeds of immovable Property not held in the name of the Company

| Relevant line item in the Balance Sheet | Description of item of property | Gross carrying value | Title deeds held in the name of | Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director | Property held since which date | Reason for not being held in the name of the company |
|---|---------------------------------|----------------------|--|--|--------------------------------|--|
| Property, plant and equipment | Land and Building | 61.93 | Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') | No | December 06, 2021 | Refer note below * |

* The tangible assets pertaining to the overall asset acquisition of Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') are in the course of transfer from Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') to Delhivery Limited (formerly known as Delhivery Private Limited) and the said transfer shall be duly completed before September 30, 2022.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

3a. Capital work in progress (Ageing schedule)

| Particulars | Less than 1 year | 1-2 year | 2-3 year | More than 3 years | Total |
|--------------------------------|------------------|----------|----------|-------------------|--------|
| As at March 31, 2022 | | | | | |
| Projects in progress | 583.54 | 0.54 | - | - | 584.08 |
| Projects temporarily suspended | - | - | - | - | - |
| As at March 31, 2021 | | | | | |
| Projects in progress | 513.92 | 251.23 | - | - | 765.15 |
| Projects temporarily suspended | - | - | - | - | - |

4. Other intangible assets and Goodwill

| Particulars | Software | Trade Mark | Customer relationships | Vendor relationships | Brand | Non-competes | Others* | Total | Goodwill ** | Intangible assets under development |
|--|----------|------------|------------------------|----------------------|----------|--------------|---------|----------|-------------|-------------------------------------|
| Gross carrying value | | | | | | | | | | |
| At April 01, 2020 | 191.19 | 50.98 | 61.10 | - | - | 1.70 | - | 304.97 | 186.40 | - |
| Asset acquired on acquisition of business (refer note 36.1(b)) | 34.92 | - | - | - | - | - | - | 34.92 | 0.08 | - |
| Additions | 67.39 | - | - | - | - | - | - | 67.39 | - | 2.40 |
| Disposals | (0.68) | - | - | - | - | - | - | (0.68) | - | - |
| At March 31, 2021 | 292.82 | 50.98 | 61.10 | - | - | 1.70 | - | 406.60 | 186.48 | 2.40 |
| At April 01, 2021 | 292.82 | 50.98 | 61.10 | - | - | 1.70 | - | 406.60 | 186.48 | 2.40 |
| Asset Acquired through assets purchase agreement (refer note 36.2 (a)) | 0.42 | - | 488.88 | - | - | 180.61 | 724.90 | 1,394.81 | - | - |
| Asset Acquired through assets purchase agreement (refer note 36.2 (b)) | 37.19 | - | - | - | - | - | - | 37.19 | - | - |
| Asset acquired on acquisition of business (refer note 36 (1) (a)) | 300.67 | - | 1,367.90 | 309.50 | 1,014.50 | - | - | 2,992.57 | 13,764.94 | - |
| Additions | 180.60 | - | - | - | - | - | - | 180.60 | - | 20.29 |
| Disposals | (7.17) | - | - | - | - | - | - | (7.17) | - | (7.70) |
| At March 31, 2022 | 804.53 | 50.98 | 1,917.88 | 309.50 | 1,014.50 | 182.31 | 724.90 | 5,004.60 | 13,951.42 | 14.99 |
| Accumulated amortization | | | | | | | | | | |
| At April 01, 2020 | 109.86 | 42.20 | 38.05 | - | - | 1.06 | - | 191.17 | - | - |
| Charge for the year | 53.48 | 8.78 | 13.91 | - | - | 0.39 | - | 76.56 | - | - |
| Disposals | (0.68) | - | - | - | - | - | - | (0.68) | - | - |
| At March 31, 2021 | 162.66 | 50.98 | 51.96 | - | - | 1.45 | - | 267.05 | - | - |
| At April 01, 2021 | 162.66 | 50.98 | 51.96 | - | - | 1.45 | - | 267.05 | - | - |
| Charge for the year | 177.75 | - | 472.34 | 84.46 | 276.85 | 34.70 | 138.67 | 1,184.77 | 152.38 | - |
| Disposals | (6.81) | - | - | - | - | - | - | (6.81) | - | - |
| At March 31, 2022 | 333.60 | 50.98 | 524.30 | 84.46 | 276.85 | 36.15 | 138.67 | 1,445.01 | 152.38 | - |
| Net Block | | | | | | | | | | |
| Balance as on March 31, 2022 | 470.93 | - | 1,393.58 | 225.04 | 737.65 | 146.16 | 586.23 | 3,559.59 | 13,799.04 | - |
| Balance as on March 31, 2021 | 130.16 | - | 9.14 | - | - | 0.25 | - | 139.55 | 186.48 | - |

* Above balance of ₹724.90 millions includes amount of Cross Border Franchisee Agreement - imports of ₹391.80 millions and Cross Border Franchisee Agreement - exports of ₹333.10 millions.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

** The Group performs test for goodwill impairment at least annually on March 31, or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilize various assumptions, including operating results, business plans and projections of future cash flows. Any adverse changes in key assumptions about our businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of fair value and could result in an impairment charge.

The recoverable amounts of CGUs are based on value-in-use, which are determined based on five year business plans that have been approved by management for internal purposes. The said planning horizon reflects the assumptions for short-to-mid term market developments. Considering this and the consistent use of such robust five-year information for management reporting purposes, the Group uses five-year plans for the purpose of impairment testing. Management believes that this planning horizon reflects the assumptions for the expected performance in the markets in which the Group operates. Management has done impairment analysis as on March 31, 2022 and did not find any impairment indicators.

Assumptions considered while performing goodwill impairment testing are as follows:

| | |
|----------------------|--|
| EBITDA | The EBITDA margins have been estimated based on past experience after considering the impact of incremental revenue and synergies benefits that the Group will get in future due to increase in process efficiencies. Margins will be positively impacted from the efficiencies, growth in top line and cost rationalisation / others initiatives driven by the Group; |
| Discount Rate | Discount rate reflects the current market assessment of the risks specific to a CGU based on the weighted average cost of capital for respective CGU. Pre-tax discount rates used are 20.73% for the year ended March 31, 2022 (March 31, 2021: 18.15%). |
| Growth rates | The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal/ external sources of information. The average terminal growth rate used in extrapolating cash flows beyond the planning period is 5% for March 31, 2022 and for March 31, 2021. |
| Capital Expenditures | The cash flow forecasts of capital expenditure are based on experience after considering the additional capital expenditure required to meet the business growth. |

5. Financial assets - Investments

| Particulars | Non-Current | | Current | |
|--|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Investments in Associates (equity accounting) | | | | |
| Investments in Unquoted equity instruments (fully paid) | | | | |
| Leucon Technology Private Limited | - | - | - | - |
| Nil (March 31, 2021: 5) equity shares of Nil (includes security premium of ₹19,316.60) | | | | |
| FALCON AUTOTECH Private Limited | 2,486.67 | - | - | - |
| 609,539 (March 31, 2021: Nil) equity shares of ₹10 each (include security premium of ₹41,315 per share) | | | | |
| (Investment of ₹251.89 million less Share of loss ₹32.27 million) | | | | |
| Investments in Unquoted preference shares (fully paid) | | | | |
| Leucon Technology Private Limited | - | - | - | - |
| Nil (March 31, 2021: 4,653) CCPS of Nil (includes securities premium of ₹19,311.60) each fully paid up | | | | |
| Investments at fair value through Profit & Loss (FVTPL) | | | | |
| Investments in Unquoted instruments (fully paid) | | | | |
| Skynet Worldwide Express Management Co. Bv. | - | 1.55 | - | - |
| Nil (March 31, 2021: 23,474) equity shares of ₹66 each each fully paid up | | | | |
| Other investments | | | | |
| a) Investment in equity instruments | | | | |
| Leapmile Logistics Private Limited | - | - | - | - |
| 100 (March 31, 2021: 100) equity shares of ₹8,836.14 each (includes securities premium of ₹8,835.14) each fully paid up | | | | |
| Moonshots Internet Private Limited | - | - | - | - |
| 100 (March 31, 2021: 100) equity shares of ₹7,494.40 (includes security premium of ₹7,493.40) each fully paid up | | | | |
| NAXR Logistics Private Limited | - | - | - | - |
| 2,000 (March 31, 2021: 2,000) equity shares of ₹10 each (includes security premium of ₹0.10 millions) each fully paid up | | | | |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Non-Current | | Current | |
|---|-----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| b) Investment in preference instruments | | | | |
| Leapmile Logistics Private Limited | - | - | - | - |
| 3,472 (March 31, 2021: 3,472) preference shares of ₹8,836.14 (includes security premium of ₹8,835.14) each fully paid up | | | | |
| Moonshots Internet Private Limited | - | - | - | - |
| 31,924 (March 31, 2021: 31,924) preference shares of ₹7,494.40 (includes security premium of ₹7,493.40) each fully paid up | | | | |
| NAXR Logistics Private Limited | - | - | - | - |
| 105 (March 31, 2021: 105) preference shares of ₹10 each (includes security premium of ₹14,235) each fully paid up | | | | |
| NAXR Logistics Private Limited | - | - | - | - |
| 3,007 (March 31, 2021: 3,007) preference shares of ₹10 each (includes security premium of ₹0.05 million) each fully paid up | | | | |
| Total (A) | 2,486.67 | 1.55 | - | - |
| Investments at fair value through Profit & Loss | | | | |
| (a) Perpetual Bond (Quoted) | | | | |
| 500 (March 31, 2021: 500) 9.45% State Bank Of India Series III Bd Perpetual of ₹1,071,393 (March 31, 2021: ₹1,035,473) | 535.70 | 517.74 | - | - |
| Nil (March 31, 2021: 250) units of Export Import Bank of India of Nil (March 31, 2021: ₹1,016,796) each | - | 254.20 | - | - |
| 250 (March 31, 2021: 250) 9.90% Icici Bank Limited Sr Dde18At 9.90 Bd Perpetual (31-Dec-2099) of ₹1,057,390 (March 31, 2021: ₹1,007,413) | 264.35 | 258.97 | - | - |
| 500 (March 31, 2021: 500) 8.85% Hdfc Bank Basel iii Perpetual Bonds Series 1/2017-18 (12-May-2060) of ₹999,733 (March 31, 2021: ₹1,019,388) | 499.87 | 509.69 | - | - |
| (b) Bonds(Quoted) | | | | |
| Nil (March 31, 2021: 200) 6.99% Rec Limited SR 193 6.99 BD 31DC21 Fvrs10LAC of Nil (March 31, 2021: ₹1,020,864) | - | - | - | 204.17 |
| 400 (March 31, 2021: 400) 7.09% Rec Limited Series 185 BD 13DC22 Fvrs10LAC of ₹1,012,009 (March 31, 2021: ₹1,031,576) | - | 412.63 | 404.80 | - |
| 100 (March 31, 2021: 100) 7.24% Rec Limited Series 187 BD 31DC22 Fvrs10LAC of ₹1,017,783 (March 31, 2021: ₹1,038,212) | - | 103.82 | 101.78 | - |
| 200 (March 31, 2021: 200) 7.35% Power Finance Corporation Ltd. Series 191 BD 150T22 Fvrs10LAC of ₹1,013,224 (March 31, 2021: ₹1,035,969) | - | 207.19 | 202.64 | - |
| 250 (March 31, 2021: 250) 9.02% Rec Bonds 22/11/2022 of ₹1,058,576.13 (March 31, 2021: ₹1,094,999) | - | 273.75 | 264.64 | - |
| 7,360,000 (March 31, 2021: Nil) Nippon India ETF Nifty CPSE Bond Plus SDL 2024 of ₹108.27 (March 31, 2021: Nil) | 796.87 | - | - | - |
| 11,000,000 (March 31, 2021: Nil) Nippon India ETF Nifty CPSE Bond Plus SDL 2026 of ₹106.90 (March 31, 2021: Nil) | 1,175.90 | - | - | - |
| (c) Non Convertible Debentures (Quoted) | | | | |
| Nil (March 31, 2021: 750) 8.63% Kotak Mahindra Investments Limited Sr008 Ncd 29Jl21 Fvrs 1,000,000 (29-Jul-2021) of Nil each (March 31, 2021: ₹1,073,533) | - | - | - | 805.15 |
| Nil (March 31, 2021: 500) 8.30% Tata Capital Financial Services Limited Sr Ncd 04Ju21 of Nil (March 31, 2021: ₹1,007,423) | - | - | - | 503.71 |
| Nil (March 31, 2021: 500,000) 8.80% Tata Capital Financial Services Limited Sr I Cat Iii&lv 8.8 Ncd of Nil (March 31, 2021: ₹1,020) | - | - | - | 510.22 |
| 500 (March 31, 2021: 500) 9.45% State Bank Of India NCD FV10Lac 22 Mar 2030 (22-Mar-2030) of ₹1,071,393 (March 31, 2021: ₹1,035,473) | 535.70 | 517.74 | - | - |
| Nil (March 31, 2021: 250) SIKKA PORTS & TERMINALS LIMITED 8.45 NCD 12JU23 FVRS10LAC LOA UPTO 10SP13 (12-Jun-2023) of Nil (March 31, 2021: ₹1,061,286) | - | 265.32 | - | - |
| Nil (March 31, 2021: 400) R.I.L. PPD-13 8 NCD 16AP23 FVRS10LAC LOAUPTO19AG18 of Nil (March 31, 2021: ₹1,136,338) | - | 454.64 | - | - |
| Nil (March 31, 2021: 400) NABARD SR 20K 6.40 LOA 31JL23 FVRS10LAC of Nil (March 31, 2021: ₹1,071,882) | - | 428.75 | - | - |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Non-Current | | Current | |
|--|-----------------|-----------------|------------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| (d) Mutual fund (Quoted) | | | | |
| 1,002,320.18 (March 31, 2021: Nil) units of ICICI PRUDENTIAL MONEY MARKET FUND of ₹306.89 (March 31, 2021: Nil) | - | - | 307.61 | - |
| 364,157.24 (March 31, 2021: Nil) Direct-Kotak Money Market Scheme-Growth of ₹3,620.71 (March 31, 2021: Nil) | - | - | 1,318.51 | - |
| 51,251,015 (March 31, 2021: Nil) Direct Plan-SBI Savings Fund-Growth of ₹35.56 (March 31, 2021: Nil) | - | - | 1,822.56 | - |
| 391,506 (March 31, 2021: Nil) HDFC MONEY MARKET DIRECT-GROWTH. 4,654.80 (March 31, 2021: Nil) | - | - | 1,822.38 | - |
| 198,748 (March 31, 2021: 198,748) Axis Banking & PSU Debt Direct-Growth of ₹2,187.06 (March 31, 2021: ₹2,097.79) | - | - | 434.67 | 416.93 |
| 977,077 (March 31, 2021: 2,155,568) units of Bharat Bond ETF 2023-Growth of 1,170.44 (March 31 2021: ₹1,116.98) | - | - | 1,143.53 | 2,407.74 |
| 1,178,561 (March 31, 2021: Nil) units of Bharat Bond ETF 2023-Growth of ₹1,172.56 (March 31 2021: Nil) | - | - | 1,381.93 | - |
| 179,946,547.02 (March 31, 2021: 39,144,646) Bharat Bond FOF Apr-2025-Growth of ₹10.82 (March 31, 2021: ₹10.23) | - | - | 1,947.56 | 400.60 |
| 142,643,506.90 (March 31, 2021: Nil) Bharat Bond FOF Apr-2026-Growth of ₹10.74 (March 31, 2021: Nil) | - | - | 1,532.06 | - |
| 67,386,617 (March 31, 2021: 67,386,616) IDFC Corporate Bond Direct-Growth of ₹16.04 (March 31, 2021: ₹15.26) | - | - | 1,080.89 | 1,028.84 |
| 689,928 (March 31, 2021: 689,928) Direct Plan-Kotak Floating of ₹1,227.33 (March 31, 2021: ₹1,157.05) | - | - | 846.77 | 798.28 |
| Total (B) | 3,808.39 | 4,204.44 | 14,612.33 | 7,075.64 |
| Total (A+B) | 6,295.06 | 4,205.89 | 14,612.33 | 7,075.64 |
| Other disclosures | | | | |
| Aggregate book value of quoted investments | 17,637.12 | 10,796.76 | | |
| Aggregate market value of quoted investments | 18,420.73 | 11,280.08 | | |
| Aggregate amount of unquoted investments | 2,486.67 | 1.55 | | |

6. Inventories

| Particulars | March 31, 2022 | March 31, 2021 |
|------------------------------------|----------------|----------------|
| Inventories | | |
| - Packing material and consumables | 224.31 | 259.48 |
| - Trading Goods | 28.75 | - |
| Total Inventories | 253.06 | 259.48 |

7. Trade Receivables

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------------|-----------------|-----------------|
| Trade receivables | 9,902.50 | 5,945.82 |
| Total trade receivables | 9,902.50 | 5,945.82 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

Break-up of trade receivables

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-------------------|-------------------|
| Trade receivables | | |
| Unsecured, considered good | 9,902.50 | 5,945.82 |
| Trade Receivables-credit impaired | 2,749.26 | 2,076.13 |
| | 12,651.76 | 8,021.95 |
| Impairment Allowance (allowance for bad and doubtful debts) | | |
| Unsecured, considered good | - | - |
| Trade Receivables-credit impaired | (2,749.26) | (2,076.13) |
| | (2,749.26) | (2,076.13) |
| Total Trade receivables | 9,902.50 | 5,945.82 |
| Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. | | |
| For terms and conditions relating to related party receivables, refer Note 35 | | |
| Trade receivables includes: | | |
| Dues from companies in which the company's non-executive directors is a director | | |
| - Bata India Limited | - | 7.29 |
| - Glaxosmithkline Pharmaceuticals Limited* | - | 0.00 |
| - Apollo tyres Limited | - | 41.04 |
| - Siemens Limited | - | 2.27 |
| - Voltas Limited | - | 735.96 |
| - C&S Electric Limited | - | 2.62 |
| - Tata Motors Limited | - | 67.15 |
| - Tata Steel Limited | 3.99 | - |
| - Hindustan Unilever Limited | 8.51 | - |
| - Ashok leyland Limited | 28.37 | - |
| - Marico Limited | 69.76 | - |

* Value Less than ₹10,000

The allowance for bad and doubtful debts as of year ended March 31, 2022 & March 31, 2021 and changes in the allowance for doubtful accounts during the year ended on March 31, 2022 and March 31, 2021 were as follows:

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Opening balance | 2,076.13 | 869.37 |
| Add: Acquisition through business combination during the year | 124.79 | - |
| Add: Provision created during the year | 1,435.48 | 1,435.08 |
| Less: write offs, net of recoveries | (887.14) | (228.32) |
| Closing balance | 2,749.26 | 2,076.13 |

Trade receivables ageing schedule for the year ended March 31, 2022[#]

| Particulars | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|----------|--------------------|-------------------|-----------|-----------|-------------------|-----------------|
| (i) Undisputed Trade receivables – considered good | 5,812.40 | 3,676.33 | 290.84 | 51.28 | 20.09 | 51.56 | 9,902.50 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | 0.09 | 35.19 | 95.55 | 315.67 | 262.59 | 213.20 | 922.29 |
| (iv) Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | 107.45 | 356.20 | 359.25 | 792.49 | 146.53 | 65.05 | 1,826.97 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

Trade receivables ageing schedule for the year ended March 31, 2021[#]

| Particulars | Not due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|--|----------|--------------------|-------------------|-----------|-----------|-------------------|-----------------|
| | | | | | | | |
| (i) Undisputed Trade receivables – considered good | 2,787.52 | 1,182.48 | 1,473.51 | 440.10 | 1.75 | 60.46 | 5,945.82 |
| (ii) Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | 1.72 | 12.40 | 498.39 | 244.50 | 120.53 | 102.89 | 980.43 |
| (iv) Disputed Trade Receivables considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | 80.12 | 65.83 | 469.39 | 395.86 | 67.49 | 17.01 | 1,095.70 |

[#] Ageing has been calculated from the date of transaction where no due date of payment is specified.

8. Loans

| Particulars | Non-current | | Current | |
|----------------------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Unsecured, considered good | | | | |
| Advance to employees | - | - | 89.31 | 264.21 |
| | - | - | 89.31 | 264.21 |

9. Other Financial Assets

| Particulars | Non-current | | Current | |
|--|-----------------|----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Security deposits | | | | |
| - Unsecured, Considered good | 610.52 | 677.09 | 1,198.95 | 370.08 |
| - Doubtful | - | - | 28.18 | 18.34 |
| | 610.52 | 677.09 | 1,227.13 | 388.42 |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | - | (28.18) | (18.34) |
| | 610.52 | 677.09 | 1,198.95 | 370.08 |
| Margin Money Deposits* | 2,217.11 | - | 532.13 | 2,484.66 |
| Deposits with original maturity for more than 12 months | 890.94 | 209.53 | 772.61 | 3,232.60 |
| | 3,108.05 | 209.53 | 1,304.74 | 5,717.26 |
| Other receivables | | | | |
| - Unsecured, Considered good | - | - | 18.53 | 23.00 |
| - Doubtful | - | - | 31.44 | 31.44 |
| | - | - | 49.97 | 54.44 |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | - | (31.44) | (31.44) |
| | - | - | 18.53 | 23.00 |
| Accrued Income | | | | |
| Unbilled receivable (refer note 21) ** | - | - | 6,806.47 | 3,668.22 |
| Interest accrued on deposits | - | - | 87.50 | 673.79 |
| Interest accrued on investments | - | - | 73.63 | 239.97 |
| | - | - | 6,967.60 | 4,581.98 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Non-current | | Current | |
|--|-----------------|----------------|-----------------|------------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Amount recoverable from third party agent-Cash collected on our behalf | - | - | 100.68 | 122.94 |
| Money Held in Trust | - | - | 1,857.20 | 1,425.37 |
| Less: Liabilities against money held in trust | - | - | (1,857.20) | (1,425.37) |
| | - | - | 100.68 | 122.94 |
| | 3,718.57 | 886.62 | 9,590.50 | 10,815.26 |

* Margin money deposits include deposits given to the following#:

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------|-----------------|-----------------|
| Banks | 2,749.24 | 2,184.66 |
| Vendors | - | 100.00 |
| Customers | - | 200.00 |
| | 2,749.24 | 2,484.66 |

for the year ended March 31, 2021, includes amount of ₹2.83 millions of Margin money deposits (Deposits with original maturity of more than three months but less than 12 months (refer note 13).

** Consists of contract assets, that primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.

10. Non-current tax assets (net)

| Particulars | Non-current | | Current | |
|--------------------|-----------------|-----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Advance Income tax | 1,550.91 | 1,231.69 | - | - |
| | 1,550.91 | 1,231.69 | - | - |

11. Other assets

| Particulars | Non-current | | Current | |
|--|----------------|----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Capital advances | | | | |
| - Unsecured, Considered good | 182.46 | 34.08 | - | - |
| - Doubtful | - | 0.26 | - | - |
| | 182.46 | 34.34 | - | - |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | (0.26) | - | - |
| | 182.46 | 34.08 | - | - |
| Prepaid expenses | 6.66 | 13.39 | 643.81 | 135.62 |
| | 6.66 | 13.39 | 643.81 | 135.62 |
| Balance with statutory/government authorities | 30.94 | - | 1,417.52 | 572.31 |
| | 30.94 | - | 1,417.52 | 572.31 |
| Advance to suppliers | | | | |
| - Unsecured, Considered good | - | - | 800.73 | 462.23 |
| - Doubtful | - | - | 22.63 | 14.53 |
| | - | - | 823.36 | 476.76 |
| Impairment Allowance (allowance for bad and doubtful balances) | | | | |
| - Other financial assets - credit impaired | - | - | (22.63) | (14.53) |
| | - | - | 800.73 | 462.23 |
| | 220.06 | 47.47 | 2,862.06 | 1,170.16 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

12. Cash and Cash equivalent

| Particulars | Non-current | | Current | |
|--|----------------|----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Balances with banks: | | | | |
| - On current accounts | - | - | 1,289.21 | 2,258.63 |
| - In deposit accounts (with original maturity of less than 3 months) | - | - | 1,000.00 | 500.00 |
| Cash in Hand | - | - | 0.79 | - |
| | - | - | 2,290.00 | 2,758.63 |

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

| Particulars | Non-current | | Current | |
|--|----------------|----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Balances with banks: | | | | |
| - On current accounts | - | - | 1,289.21 | 2,258.63 |
| - In deposit accounts (with original maturity of less than 3 months) | - | - | 1,000.00 | 500.00 |
| Cash in Hand | - | - | 0.79 | - |
| Bank Overdraft repayable on demand (secured) | - | - | (340.08) | - |
| | - | - | 1,949.92 | 2,758.63 |

13. Other bank balances

| Particulars | Non-current | | Current | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Balances with banks: | | | | |
| - Deposits with original maturity of more than three months but less than 12 months | - | - | - | 12.95 |
| - Margin money deposits (Deposits with original maturity of more than three months but less than 12 months) | - | - | - | 2.83 |
| | - | - | - | 15.78 |

14. Share capital

| Particulars | March 31, 2022 | March 31, 2021 |
|--|-----------------|----------------|
| Authorised Share Capital | | |
| Equity Shares | | |
| 873,502,280 (March 31, 2021: 2,200,228) Equity Shares of ₹1 each (March 31, 2021 - ₹10 each) | 873.50 | 22.00 |
| Instruments Entirely Equity in Nature | | |
| 300,000 (March 31, 2021: 300,000) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹10/- each (Series A) | 3.00 | 3.00 |
| 4,660,337 (March 31, 2021: 4,310,337) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each (Series B, C, D, D1, E, F, G, H and I) | 466.03 | 431.03 |
| | 1,342.53 | 456.03 |
| Issued, subscribed and fully paid-up shares | | |
| Equity Shares | | |
| 642,106,100 (March 31, 2021: 1,629,229) Equity Shares of ₹1 each (March 31, 2021 - ₹10 each) | 642.11 | 16.29 |
| Nil (March 31, 2021: 38,701) Equity Shares of ₹10 each (March 31, 2021: ₹1 Paid up) (refer note 14 f) | - | 0.04 |
| | 642.11 | 16.33 |
| Instruments Entirely Equity in Nature | | |
| Nil (March 31, 2021: 217,562) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series B | - | 21.77 |
| Nil (March 31, 2021: 365,310) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series C | - | 36.53 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Nil (March 31, 2021: 653,551) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series D | - | 65.36 |
| Nil (March 31, 2021: 44,479) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series D1 | - | 4.45 |
| Nil (March 31, 2021: 801,139) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series E | - | 80.11 |
| Nil (March 31, 2021: 1,457,694) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series F | - | 145.77 |
| Nil (March 31, 2021: Nil) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series H | - | - |
| Nil (March 31, 2021: Nil) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each - Series I | - | - |
| | - | 353.99 |

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|--------------------|---------------|------------------|--------------|
| | Number | Amount | Number | Amount |
| Equity shares | | | | |
| At the beginning of the year | 1,667,930 | 16.33 | 974,952 | 9.75 |
| Issued during the year (including stock options exercised) | 21,509,326 | 23.08 | 14,277 | 0.14 |
| Converted during the year | 425,120,603 | 426.16 | 640,000 | 6.40 |
| Issued during the year (partly paid)# | - | 0.35 | 38,701 | 0.04 |
| Bonus shares issued during the year | 17,618,927 | 176.19 | - | - |
| Equity shares arising on shares split from ₹10 to ₹1 per share ## | 176,189,315 | - | - | - |
| Outstanding at the end of the year | 642,106,100 | 642.11 | 1,667,930 | 16.33 |

During the year ended March 31, 2022, the company has called up and received money for 38,701 shares of ₹9 per share.

On September 29, 2021, the company has sub divided equity shares having a face value of ₹10 each into 10 equity shares having a face value of ₹1 each.

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|----------------|--------------|
| | Number | Amount | Number | Amount |
| Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) | | | | |
| Series A | | | | |
| At the beginning of the year | - | - | 291,667 | 2.92 |
| Converted into equity share during the year | - | - | (291,667) | (2.92) |
| Outstanding at the end of the year | - | - | - | - |
| Series B | | | | |
| At the beginning of the year | 217,562 | 21.77 | 448,719 | 44.89 |
| Converted into equity share during the year | (217,562) | (21.77) | (231,157) | (23.12) |
| Outstanding at the end of the year | - | - | 217,562 | 21.77 |
| Series C | | | | |
| At the beginning of the year | 365,310 | 36.53 | 478,434 | 47.84 |
| Converted into equity share during the year | (365,310) | (36.53) | (113,124) | (11.31) |
| Outstanding at the end of the year | - | - | 365,310 | 36.53 |
| Series D | | | | |
| At the beginning of the year | 653,551 | 65.36 | 653,551 | 65.36 |
| Converted into equity share during the year | (653,551) | (65.36) | - | - |
| Outstanding at the end of the year | - | - | 653,551 | 65.36 |
| Series D1 | | | | |
| At the beginning of the year | 44,479 | 4.45 | 48,531 | 4.85 |
| Converted into equity share during the year | (44,479) | (4.45) | (4,052) | (0.40) |
| Outstanding at the end of the year | - | - | 44,479 | 4.45 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|------------------|---------------|
| | Number | Amount | Number | Amount |
| Series E | | | | |
| At the beginning of the year | 801,139 | 80.11 | 801,139 | 80.11 |
| Converted into equity share during the year | (801,139) | (80.11) | - | - |
| Outstanding at the end of the year | - | - | 801,139 | 80.11 |
| Series F | | | | |
| At the beginning of the year | 1,457,694 | 145.77 | 1,457,694 | 145.77 |
| Converted into equity share during the year | (1,457,694) | (145.77) | - | - |
| Outstanding at the end of the year | - | - | 1,457,694 | 145.77 |
| Series H | | | | |
| At the beginning of the year | - | - | - | - |
| Issued during the year | 563,349 | 56.33 | - | - |
| Converted into equity share during the year | (563,349) | (56.33) | - | - |
| Outstanding at the end of the year | - | - | - | - |
| Series I | | | | |
| At the beginning of the year | - | - | - | - |
| Issued during the year | 146,961 | 14.70 | - | - |
| Converted into equity share during the year | (146,961) | (14.70) | - | - |
| Outstanding at the end of the year | - | - | - | - |
| | | | 3,539,735 | 353.99 |

b) Terms/rights attached to equity shares

The Group has only one class of equity shares having a par value of ₹1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Group, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Terms/rights attached to Instruments entirely equity in nature

The Group had issued 132,779 and 158,888 Series A Cumulative Compulsorily Convertible Preference Shares ('CCCPS') of ₹10 each fully paid-up at a premium of ₹215.94 per share on April 30, 2012 and November 01, 2012 respectively, Series B - 448,719 CCCPS of ₹100 each fully paid-up at a premium of ₹680 per share on September 26, 2013, Series C - 478,434 CCCPS of ₹100 each fully paid-up at a premium of ₹2,164.20 per share on September 09, 2014, Series D - 653,551 CCCPS of ₹100 each fully paid-up at a premium of ₹7,650 per share on May 08, 2015, Series D1 - 48,531 CCCPS of ₹100 each fully paid-up at a premium of ₹9,959 per share on October 17, 2016, Series E - 640,911, 160,228 CCCPS of ₹100 each fully paid-up at a premium of ₹10,747 per share on March 22, 2017 and May 17, 2017 respectively, Series F 1,457,694 CCCPS of ₹100 each fully paid at a premium of ₹19,726 per share on March 7, 2019 and March 29, 2019, Series H 563,349 CCCPS of ₹100 fully paid up at a premium of ₹35,555 per share on May 31, 2021 and Series I 146,961 CCCPS of ₹100 fully paid up at a premium of ₹37,900 per share on September 02, 2021 respectively.

During the year, Board of Directors of the Company at its meeting dated January 13, 2022, have approved the conversion of 4,250,045 Cumulative Compulsorily Convertible Preference Shares (CCCPS) having a face value of ₹100 each into 425,004,500 Equity Shares having a face value of ₹1 each of the Company (in the ratio of 100:1 i.e. 100 equity shares of ₹1 each against one CCCPS of ₹100 each).

Voting Rights

The Investor shall have right to vote pro-rata to their shareholding.

Liquidation

The holders of each series of Investor securities (other than sale shares) shall be entitled to be paid and otherwise receive distributions out of the liquidation proceeds, on a pari passu basis and prior to any payment or other distribution to any holders of equity shares.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

(d) Details of shareholders holding more than 5% shares in the company

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|------------------------|----------------|------------------------|
| | No. | % holding in the class | No. | % holding in the class |
| Equity shares of ₹1 each fully paid | | | | |
| SVF Doorbell (Cayman) Ltd. | 141,593,300 | 22.05% | 13,753 | 0.82% |
| Nexus Ventures III, Ltd. | 57,406,800 | 8.94% | 100 | 0.01% |
| CA Swift Investments | 46,131,800 | 7.18% | - | - |
| Canada Pension Plan Investment Board (CPPIB) | 43,881,500 | 6.83% | 264,457 | 15.86% |
| Internet Fund III Pre Ltd | 37,893,700 | 5.90% | 180,448 | 10.82% |
| Times Internet Limited | 31,703,900 | 4.94% | 371,569 | 22.28% |
| Alpine Opportunity Fund II LP | 17,170,900 | 2.67% | 90,623 | 5.43% |
| Sahil Barua | 13,407,798 | 2.09% | 120,625 | 7.23% |
| Suraj Saharan | 10,994,300 | 1.71% | 114,000 | 6.83% |
| Mohit Tandon | 11,664,200 | 1.82% | 116,642 | 6.99% |
| 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100/- each (Series B, C, D, D1, E F, H and I) | | | | |
| Nexus Ventures III, Ltd. | - | - | 573,968 | 16.21% |
| SVF Doorbell (Cayman) Ltd. | - | - | 1,402,180 | 39.61% |
| Internet Fund III PTE Ltd. | - | - | 198,489 | 5.61% |
| CA Swift Investments | - | - | 653,915 | 18.47% |
| Deli. Cmf. Pte.Ltd. | - | - | 223,760 | 6.32% |

As per records of the Group, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Group, please refer note 39.

(f) During the previous year ended March 31, 2021 the Company had issued 38,701 equity shares of face value of ₹10/- each to certain individuals at an issue price of ₹18,965 per Equity Share (including premium of ₹18,955 per Equity Share). In accordance with the terms of issue, ₹2,000 was received from the concerned allottees on application and shares were allotted. Further on September 24, 2021, company has received remaining issue money of ₹16,965 per share.

(g) Group is a professionally managed and does not have an identifiable promoter in terms of the Companies Act, 2013.

15. (a) Other equity

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-------------------|------------------|
| Securities Premium | | |
| Balance as per the last financial statements | 74,306.86 | 74,069.68 |
| Add: ESOPs exercised (Transferred ₹1,589.09 millions (March 31, 2021: ₹109.87 millions) from share based payment reserve) | 1,863.89 | 128.87 |
| Add: Securities premium on equity shares issued during the year | 8,171.06 | 77.36 |
| Add: Securities premium on conversion of preference share to equity share | 4,138.45 | 31.35 |
| Add: Securities premium on CCCPS issued during the year (series H and series I) | 25,599.70 | - |
| Less: Bonus share issued during the year * | (176.19) | - |
| Less: Share issue expense | (169.17) | (0.40) |
| | 113,734.60 | 74,306.86 |
| Share Based Payment Reserve | | |
| Balance as per the last financial statements | 1,958.24 | 1,344.99 |
| Add: ESOP Expenses on acquisition of subsidiary (refer note 36.1 (a)) | 106.70 | - |
| Add: Share based payment expense | 3,084.21 | 723.12 |
| Less: transferred to securities premium on exercise of stock options | (1,589.09) | (109.87) |
| | 3,560.06 | 1,958.24 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | March 31, 2021 |
|--|--------------------|--------------------|
| Retained earnings | | |
| Balance as per last financial statements | (48,279.41) | (44,132.36) |
| Add: Loss during the year | (10,110.00) | (4,157.43) |
| Add: Re-measurement gains on defined benefit plans | 20.11 | 10.38 |
| Net deficit in the statement of profit and loss | (58,369.30) | (48,279.41) |
| Exchange differences on translating the financial statements of a foreign operation | | |
| Balance at the beginning of the year | 11.96 | 20.28 |
| Exchange differences on translating the financial statements of a foreign operation | (5.74) | (8.32) |
| | 6.22 | 11.96 |
| Total reserves and surplus | 58,931.58 | 27,997.65 |

*During the year ended March 31, 2022, the Parent Company had allotted bonus shares of 17,618,927 equity shares in the ratio of 9:1 held by the existing shareholders other than for cash consideration.

15. (b) Nature and purpose of Reserves

Retained earning

Retained earnings are the loss that the Group has incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Group and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Share Based Payment Reserve

The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

16. Borrowings

| Particulars | Non-current | | Current | |
|---|-----------------|-----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Term Loan | | | | |
| Vehicle Loan from Bank (Secured) (refer (i) below) | 735.25 | 102.19 | - | - |
| Secured bank loan (refer (ii) below) | 440.86 | 1,029.06 | - | - |
| | 1,176.11 | 1,131.25 | - | - |
| Others | | | | |
| Current maturity of long term borrowings | | | | |
| - Vehicle Loan from Bank (refer (i) below) | - | - | 443.46 | 163.87 |
| - Secured bank loan (refer (ii) below) | - | - | 711.81 | 691.18 |
| Working Capital demand loan | - | - | 228.59 | - |
| Bill discounting facility from the Bank (secured) (refer (iii) below) | - | - | 859.93 | 842.29 |
| Bank Overdraft repayable on demand (secured) | - | - | 111.49 | - |
| | 1,176.11 | 1,131.25 | 2,355.28 | 1,697.34 |
| Compulsorily Convertible Preference Shares (refer (iv) below) | - | 184.84 | - | - |
| | - | 184.84 | - | - |
| | 1,176.11 | 1,316.09 | 2,355.28 | 1,697.34 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

(i) Vehicle Loans carries interest @6.51% to 9.55% (March 31, 2021: 8.7% to 9.15%) per annum and are repayable in 36 to 37 equated monthly installments of ₹0.02 millions (March 31, 2021: 0.02 millions) to ₹0.25 millions (March 31, 2021: ₹0.27 millions) along with interest. The loan is secured by hypothecation of respective vehicles.

(ii) (a) **HDFC Bank:**

Loan has been availed from HDFC Bank carrying interest rate @ One year MCLR+0.50% p.a ranging from 8.90% to 9.15% and are repayable in 35 and 30 equated monthly instalments of ₹11.23 millions and ₹11.39 millions alongwith interest respectively. The loan is secured by a first charge over certain of the Group's movable property (not being pledge) and fixed deposits/Cash deposits.

Secured bank loan of Spoton Logistics Private Limited (Spoton):

Term loan amounts to ₹86.81 million was sanctioned to the Holding Company's subsidiary (Spoton Logistics Private Limited or "Spoton"), pursuant to the "Emergency Credit Line Guranteed Scheme" (ECLGS) of Government of India. The loan is to be repaid in 48 equal monthly installment of ₹1.85 million each after moratorium period of 12 months from the date of disbursement. The repayment of loan will begin from March 07, 2022. The interest rate of 7.5% p.a (1 year MCLR + 0.25% subject to maximum of 9.25% p.a) is payable on a monthly basis from the date of disbursement. This facility is covered by 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Limited, Ministry of Finance, Government of India) and also secured by the extension of second ranking charge over existing primary and collateral securities including mortgages created in favour of the Bank.

The entire loan amount has been classified under current borrowings as at March 31, 2022 due to non-compliance of the bank covenants.

The financial covenants relating to Adjusted total network, Total liabilities/ Total net worth and Interest coverage ratio have not been complied with for year ended on March 31, 2022. However in view of the ongoing relationship with the lending banks, the management believes that this non-compliance will not result in levy of penalty on the Company. Basis, the breach of covenant which has not been cured before the Consolidated Financial Statements have been approved, the working capital term loan from HDFC bank has been classified as current borrowings.

(b) **Axis Bank:**

Loan has been availed from Axis Bank carrying interest rate @ One year MCLR+0.30% p.a. and One year MCLR+0.15% p.a. ranging 7% to 8% and are repayable in 48 equated monthly instalments (remaining installment 23 (March, 31,2021: 35) of ₹20.83 millions and ₹31.25 millions plus interest thereon respectively.The loan is secured by a first charge over certain of the Group's movable property (not being pledge) and fixed deposits/Cash deposits.

Secured bank loan of Spoton Logistics Private Limited (Spoton):

Term loan amounting to ₹26.72 million disclosed under non current borrowings and current maturity amounting to ₹9.96 million disclosed under current borrowings. Pursuant to "Emergency Credit line Guranteed Scheme" (ECLGS) of Government of India, the bank sanctioned working capital term loan to the Company.The loan was to be repaid in 48 equal mothly installment of ₹0.83 million each after moratorium period of 12 months from the date of disbursement and the last installment is ₹0.83 million. The repayment of loan has begun from 31 December 2021. The interest rate of 7.5% p.a (1 year MCLR + 0.05%) payable on monthly basis from the date of disbursement. This facility is covered by 100% guarantee from NCGTC (National Credit Guarantee Trustee Company Limited, Ministry of Finance, Government of India). Also secured second pari-passu charge on entire current assets and entire movable fixed assets of the Company, both present and future.

(iii) Bill discounting facility has been availed from HDFC bank carrying floating rate of interest of 3 months MCLR plus 0.55% ranging from 7.35% to 7.55% (March 31, 2021: 3 months MCLR plus 0.55% ranging from 7.35% to 8.10%). The facility is on the bills underlying raised with the respective principals.

Further Bill discounting facility has been availed from Axis bank carrying floating rate of interest of 3 months MCLR plus 0.40% ranging from 7.25% to 7.70% (March 31, 2021: 3 months MCLR plus 0.40% ranging from 7.70% to 7.85%). The facility is on the bills underlying raised with the respective principals. The bill discounting is secured by lien on fixed deposit/cash deposit.

(iv) During the previous year ended March 31, 2021, 46,441 (0.001% Series G) Compulsorily Convertible Preference Shares (CCPS), having a face value of ₹100/- (Rupees One Hundred Only) each have been issued during the year at an issue price of ₹22,615; called and paid up ₹10/- .The rights exercised by the holder shall be in accordance with applicable laws i.e. exercisable to the extent of amount paid up.The Board shall make calls upon the holders of the Series G CCPS in respect of monies unpaid on the Series G CCPS (whether on account of the nominal value of the shares or premium), as and when it deems fit.After the Series G CCPS are fully paid-up, it will convert into equity shares of the Company, based on the conversion ratio based on share price multiple of Series F price, upon occurrence of a liquidation event or listing

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

of securities of the Company on a recognized stock exchange. Each Series G CCPS holder shall have the right to vote on all matters considered at a general meeting of the shareholders of the Company

- (i) which directly affect the rights attached to the Series G CCPS;
- (ii) in connection with the winding up of the Company;
- (iii) in connection with the repayment or reduction of the equity or preference share capital of the Company.

During the year ended March 31, 2022, the company has called up and received money for 46,441 shares of ₹90 per share. On September 24, 2021 Series G CCPS has been converted into equity shares in ratio 2.5:1 accordingly 46,441 CCPS were converted to 1,16,103 Equity Share of ₹10 each fully paid up. Prior to conversion, fair value loss has been recognised through financial statements of profit and loss and is disclosed as "Fair value loss on financial liability at fair value through profit and loss" of ₹2,997.39 millions and ₹91.95 millions for the year ended March 31, 2022 and March 31, 2021 respectively.

Unused line of credit

The below table provides the details of un-drawn credit facilities that are available to the Group:

| Particulars | March 31, 2022 | March 31, 2021 |
|------------------|-----------------|-----------------|
| Secured Loan | 3,441.57 | 3,450.00 |
| Bill discounting | 390.07 | 407.71 |
| | 3,831.64 | 3,857.71 |

17. Other Financial Liabilities

| Particulars | Non-current | | Current | |
|---|----------------|----------------|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Other Financial Liabilities Measured at Amortised Cost | | | | |
| Interest accrued and not due on borrowings | - | - | 4.00 | 1.59 |
| Capital Creditors | - | - | 779.24 | 375.66 |
| Employee Welfare Fund* | - | - | 22.12 | 14.18 |
| Amount payable, collected on behalf of the customers | | | | |
| - Amount payable, collected on behalf of the customers | - | - | 1,985.86 | 1,621.01 |
| - Less: Liabilities against money held in trust | - | - | (1,857.20) | (1,425.33) |
| Employee benefit payable | - | - | 374.86 | 586.95 |
| Security Deposit | - | - | 189.60 | 131.69 |
| | - | - | 1,498.48 | 1,305.75 |

*The Employee Welfare Fund (EWF) is a fund to which both employee and employer contributes. The Employee Welfare Committee of the Group handles the EWF that is used to provide benefits to employees.

18. Provisions

| Particulars | Non-current | | Current | |
|---|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Provision for employee benefits | | | | |
| - Provision for Gratuity (refer note 33) | 375.84 | 214.26 | 26.76 | 10.89 |
| - Provision for compensated absences | - | - | 180.42 | 110.78 |
| | 375.84 | 214.26 | 207.18 | 121.67 |
| Other Provisions | | | | |
| Provision for asset retirement obligation | 6.71 | 4.90 | - | - |
| | 6.71 | 4.90 | - | - |
| Total Provisions | 382.55 | 219.16 | 207.18 | 121.67 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

Movement in above balances

| Particulars | Asset retirement obligation |
|-----------------------------|-----------------------------|
| As at April 01 2020 | 2.00 |
| Arising during the year | 2.90 |
| Utilised * | (0.00) |
| As at March 31, 2021 | 4.90 |
| Arising during the year | 1.81 |
| Utilised | - |
| As at March 31, 2022 | 6.71 |

*Value less than ₹10,000

19. Other current liabilities

| Particulars | Current | |
|------------------------------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 |
| Others | | |
| - Advance from Customers | 354.57 | 171.81 |
| Statutory dues | | |
| Withholding tax payable | 412.00 | 138.07 |
| Provident Fund payable | 67.50 | 49.60 |
| Employee's State Insurance Payable | 7.09 | 4.48 |
| Professional tax payable* | 6.08 | 5.80 |
| Labour Welfare Fund payable | 0.14 | 0.14 |
| Goods & Service tax payable | 9.40 | 1.00 |
| | 856.78 | 370.90 |

*During the year ended March 31, 2022, The Holding Company and few of its subsidiaries has deducted Professional Tax from employees. The company was able to deposit the Professional Tax in most of the cases except where registration is pending due to non-functioning of government portals. The companies are in the process of obtaining registration and the Professional Tax collected will be deposited once the aforesaid issues are resolved.

20. Trade Payables

| Particulars | Current | |
|--|-----------------|-----------------|
| | March 31, 2022 | March 31, 2021 |
| Trade payable | | |
| Total outstanding dues of micro and small enterprises (refer note 43 for details of dues to micro and small enterprises) | 44.74 | 20.52 |
| Total outstanding dues of creditors other than micro and small enterprises | 8,300.26 | 4,401.78 |
| | 8,345.00 | 4,422.30 |

Trade payables are non-interest bearing and are normally settled on 0-60 days terms.

For explanations on the Group's credit risk management processes, refer note 37.

For terms and conditions relating to related party payables, refer note 35

Trade payable ageing schedule for year ended March 31, 2022:

| Particulars | Unbilled | Not due | Less than 1 year | 1-2 year | 2-3 years | More than 3 years | Total |
|-----------------------------|----------|----------|------------------|----------|-----------|-------------------|----------|
| (i) MSME | - | 20.47 | 24.27 | - | - | - | 44.74 |
| (ii) Others | 4,684.76 | 1,602.80 | 1,753.60 | 146.98 | 54.66 | 57.46 | 8,300.26 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - others | - | - | - | - | - | - | - |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

Trade payable ageing schedule for the year ended March 31, 2021:

| Particulars | Unbilled | Not due | Less than 1 year | 1-2 year | 2-3 years | More than 3 years | Total |
|-----------------------------|----------|---------|------------------|----------|-----------|-------------------|----------|
| (i) MSME | - | - | 20.52 | - | - | - | 20.52 |
| (ii) Others | 2,841.70 | 54.37 | 1,394.49 | 53.40 | 18.82 | 39.00 | 4,401.78 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - | - |
| (iv) Disputed dues - others | - | - | - | - | - | - | - |

21. Revenue from Contracts with Customers

| Particulars | March 31, 2022 | March 31, 2021 |
|---------------------------------------|------------------|------------------|
| Sale of services | | |
| Revenue from Services* | 66,946.23 | 36,354.38 |
| Sale of goods | | |
| Revenue from sale of traded goods | 1,876.63 | 110.89 |
| | 68,822.86 | 36,465.27 |
| *includes | | |
| Revenue from Express Parcel services | 41,910.56 | 25,505.15 |
| Revenue from Part Truck Load services | 13,459.50 | 3,841.61 |
| Revenue from Truck Load services | 2,873.50 | 2,141.29 |
| Revenue from Supply Chain services# | 5,509.93 | 3,900.58 |
| Revenue from Cross Border services | 3,182.68 | 963.63 |
| Others | 10.06 | 2.12 |
| | 66,946.23 | 36,354.38 |

#Revenue from Supply Chain services includes Revenue from End-to-End services and Revenue from Warehousing services.

Timing of rendering of services

| Particulars | March 31, 2022 | March 31, 2021 |
|---|------------------|------------------|
| Services rendered over time | 66,946.23 | 36,354.38 |
| Total Revenue from contract with customers | 66,946.23 | 36,354.38 |

Revenue from sale of traded goods

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|----------------|
| Goods transferred at a point in time | 1,876.63 | 110.89 |
| Total Revenue from contract with customers | 1,876.63 | 110.89 |

Reconciling the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price:

| Particulars | March 31, 2022 | March 31, 2021 |
|---------------------------------|------------------|------------------|
| Revenue as per contracted price | 69,706.60 | 37,781.17 |
| Less: Credit note | (883.74) | (1,315.90) |
| | 68,822.86 | 36,465.27 |

Contract Balances

The following table provides information about receivables, contracts assets, and contract liabilities from contracts with customers.

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Trade receivables (unconditional right to consideration) | 9,902.50 | 5,945.82 |
| Contract assets (refer note 1 below) | 6,806.47 | 3,668.22 |
| Contract liabilities (refer note 2 below) | 354.57 | 171.81 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

Notes:

- The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.

| Contract Assets | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Opening balance | 3,668.22 | 2,748.43 |
| Add: Contract asset created during the year | 6,806.47 | 3,668.22 |
| Less: Contract asset billed during the year | (3,668.22) | (2,748.43) |
| Closing balance | 6,806.47 | 3,668.22 |

- Contract liability relates to payments received in advance of performance against which amount has been received from customer but services are yet to be rendered on the reporting date. Contract liabilities are recognized once the services are provided, being performance obligation of the Group.

| Contract liabilities | March 31, 2022 | March 31, 2021 |
|--------------------------|----------------|----------------|
| Opening Balance | 171.81 | 38.00 |
| Add: Revenue deferred | 341.25 | 217.24 |
| Less: Revenue Recognised | (69.03) | (16.60) |
| Less: Write-back | (89.46) | (66.83) |
| Closing Balance | 354.57 | 171.81 |

22. Other Income

| Particulars | March 31, 2022 | March 31, 2021 |
|--|-----------------|-----------------|
| 22.1 Finance income | | |
| Interest Income on | | |
| - Bank deposits at amortised cost | 207.42 | 537.01 |
| - Non-current investments | 329.23 | 593.47 |
| - Income Tax refund | 33.19 | 19.88 |
| - Unwinding of discount on security deposits paid at amortised cost | 139.88 | 105.63 |
| Total finance income (A) | 709.72 | 1,255.99 |
| 22.2 Other income | | |
| Net gain on mutual funds: | | |
| - Fair value gain on Investment at fair value through profit or loss | 300.43 | 325.01 |
| - Net gain on sale of current investments | 174.59 | 100.81 |
| Profit on disposals of property plant and equipment | 0.08 | 2.95 |
| Net gain on sale of non current investments | 22.50 | - |
| Gain on modification / termination of lease contracts | 210.27 | 99.76 |
| Rent waiver on lease liabilities | - | 33.80 |
| Credit Balance written back | 89.46 | 66.83 |
| Miscellaneous Income | 54.36 | 32.49 |
| Total other income (B) | 851.69 | 661.65 |
| Grand Total (A+B) | 1,561.41 | 1,917.64 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

23. Freight, Handling and Servicing Costs

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------------------------|------------------|------------------|
| Line haul expenses | 23,976.65 | 13,276.94 |
| Contractual manpower expenses | 7,510.83 | 4,727.92 |
| Vehicle rental expenses | 13,546.31 | 6,800.53 |
| Rent | 1,531.06 | 1,038.38 |
| Security expenses | 787.75 | 584.77 |
| Power, fuel & water charges | 1,231.31 | 724.70 |
| Packing material | 225.95 | 122.82 |
| Stores and spares | 284.45 | 141.60 |
| Lost Shipment expense (net) | 707.49 | 363.16 |
| | 49,801.80 | 27,780.82 |

24. Employee Benefits Expense

| Particulars | March 31, 2022 | March 31, 2021 |
|---|------------------|-----------------|
| Salaries, wages and bonus* | 9,006.10 | 4,788.55 |
| Contribution to provident and other funds** | 411.58 | 278.95 |
| Share Based Payment Expense (refer note 39) | 3,084.21 | 723.12 |
| Gratuity expense (refer note 33) | 109.82 | 81.82 |
| Staff welfare expenses | 520.94 | 236.79 |
| | 13,132.65 | 6,109.23 |

* above includes ₹1,784.00 millions towards one-time bonus paid to eligible employees of the Group during the year ended March 31, 2022.

** Defined contribution plan

25. Change in inventory of traded goods

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Inventory at the beginning of the year | - | - |
| Inventory at the end of the year | 28.75 | - |
| Increase in inventory | (28.75) | - |

26. Other Expense

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Allowances for recoverable from third party agent | 6.97 | 47.92 |
| Rates and Taxes | 39.21 | 78.50 |
| Business development expenses | 116.82 | 15.92 |
| Repairs & Maintenance | | |
| - Building | 169.42 | 108.31 |
| - Computers | 24.74 | 8.50 |
| - Others | 347.71 | 219.14 |
| Allowances for doubtful debts | 1,154.92 | 894.78 |
| Bad debts written off | 2.55 | 4.45 |
| Payment Gateway Charges | 65.62 | 26.58 |
| Cash Management Service Charges | 386.60 | 240.32 |
| Housekeeping Expenses | 343.64 | 264.23 |
| Allowances for doubtful advances | 26.60 | 47.53 |
| Travelling and conveyance | 635.72 | 293.20 |
| Intangible assets written off* | 38.38 | 47.39 |
| Loss on disposal of property, plant and equipment (net) | 4.13 | - |
| Communication cost | 281.63 | 150.70 |
| Software and technology expenses | 1,419.80 | 782.60 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Legal and professional fees | 444.63 | 132.80 |
| Audit Fees | 13.70 | 12.81 |
| Director's Remuneration (refer note 35) | 29.74 | 27.00 |
| Printing and stationery | 101.74 | 56.30 |
| Assets written off | 2.05 | - |
| Insurance expense | 60.89 | 40.05 |
| Recruiting expenses | 65.29 | 22.09 |
| Foreign Exchange loss (net) | 24.66 | 10.37 |
| Miscellaneous expenses | 82.07 | 79.00 |
| | 5,889.23 | 3,610.49 |

*During the year ended March 31, 2022, the Group has written off the software i.e. "Espoton Next Gen", which was being developed with the support of vendor Capgemini on which the total expense incurred amounting to ₹38.38 millions. The modules being developed in eSpoton NxG project are already available with Delhivery system and with the ongoing system integration of the two systems, the updates will be redundant.

27. Depreciation and amortization expense

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|-----------------|
| Depreciation of property, plant and equipment (refer note 3) | 2,433.12 | 1,567.32 |
| Depreciation of Right-of-use assets (refer note 34) | 2,337.20 | 1,902.32 |
| Amortization of intangible assets and goodwill (refer note 4) | 1,337.15 | 76.56 |
| | 6,107.47 | 3,546.20 |

28. Finance Cost

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Interest at amortised cost | | |
| - to banks | 173.07 | 150.10 |
| - bill discounting | 67.21 | 47.89 |
| - Interest on lease liabilities (refer note 34) | 742.60 | 683.05 |
| - to others | 1.46 | 0.65 |
| Others | | |
| - Bank Charges | 10.95 | 4.58 |
| | 995.29 | 886.27 |

29. Exceptional Items

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------------------------|----------------|----------------|
| Allowance for doubtful debts* | - | 413.30 |
| | - | 413.30 |

*During the previous year ended March 31, 2021, the management has recorded allowance for doubtful debt of ₹413.30 millions, in view of its anticipated non-recoverability in near future primarily due to imposition of ban by Government of India on certain business units. In view of this unprecedented event, the management has considered it to be outside of the ordinary course of business and accordingly disclosed it as "Exceptional" in the Consolidated Financial Statements.

30. Earnings per share (EPS)

Basic/Diluted EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the Group by the weighted average number of shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Loss attributable to equity holders of the parent | (10,110.00) | (4,157.43) |
| Weighted average number of equity at the year end in calculating basic EPS | 595.35 | 516.21 |
| Weighted average number of equity at the year end in calculating diluted EPS | 595.35 | 516.21 |
| Basic Loss per equity share | (16.98) | (8.05) |
| Diluted Loss per equity share | (16.98) | (8.05) |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

There are potential equity shares as on March 31, 2022 and March 31, 2021 in the form of stock options issued. As these are antidilutive, they are ignored in the calculation of diluted loss per share and accordingly the diluted loss per share is the same as basic loss per share.

The weighted average number of shares takes into account the weighted average effect of changes in Compulsorily Convertible Preference Shares during the year.

On September 27, 2021, the Company issued bonus shares in the ratio of 9:1 to the existing equity shareholders. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulsorily Convertible Preference Shares (CCCPS) has been made and the conversion ratio accordingly stands adjusted to 10:1 i.e. 10 Equity Shares of ₹10/- each for every 1 CCCPS of ₹100/- each held by such CCCPS holder, pursuant to such bonus issuance.

On September 29, 2021, the company has sub divided equity shares having a face value of ₹10 each into 10 equity shares having a face value of ₹1 each. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulsorily Convertible Preference Shares (CCCPS) has been made to reflect the impact of such sub-division.

The Board of Directors of the Company at its meeting dated January 13, 2022, have approved the conversion of 42,50,045 Cumulsorily Convertible Preference Shares (CCCPS) having a face value of ₹100 each into 42,50,04,500 Equity Shares having a face value of ₹1 each of the Company (in the ratio of 100:1 i.e. 100 equity shares of ₹1 each against one CCCPS of ₹100 each).

The impact of the above has been considered in the calculation of Basic and Diluted Loss per equity share.

31. Income taxes

The major components of income tax expense for the year ended March 31, 2022 and March 31, 2021.

| Particulars | March 31, 2022 | March 31, 2021 |
|--|-----------------|----------------|
| Current income tax: | | |
| In respect of current year | 100.72 | - |
| Deferred tax: | | |
| In respect of current year | (284.02) | - |
| Tax expense recognised in Consolidated Financials Statement of profit and loss | (183.30) | - |
| Income tax recognised in other comprehensive income | | |
| Deferred tax arising on expense or income recognised in OCI | (3.02) | - |
| Total | (186.32) | - |

Deferred tax assets / (liabilities) recognised as at March 31, 2022

| Particular | April 01, 2021 | Acquired through business combination | Recognised in consolidated financial statement of profit and loss credit / (charge) | Recognised in other comprehensive income credit / (charge) | March 31, 2022 |
|---|----------------|---------------------------------------|---|--|-----------------|
| Deferred tax assets | | | | | |
| Provision for employee benefits | - | 29.01 | 11.64 | (3.02) | 37.63 |
| Provision for doubtful debts | - | 31.39 | 4.07 | - | 35.46 |
| Property, plant and equipment | - | 22.83 | 11.20 | - | 34.03 |
| Borrowings* | - | (0.00) | (0.00) | - | (0.00) |
| Leases liabilities | - | 36.74 | (21.80) | - | 14.94 |
| Share based payment expenses | - | 20.12 | (20.12) | - | - |
| Security deposits | - | (8.00) | 8.99 | - | 0.99 |
| Effect of provision for doubtful advances | - | - | 2.30 | - | 2.30 |
| Deferred tax liabilities | | | | | |
| Goodwill | - | (128.30) | 38.35 | - | (89.95) |
| Intangible assets | - | (913.91) | 249.38 | - | (664.53) |
| Deferred tax liabilities | - | (910.11) | 284.00 | (3.02) | (629.13) |

* Value Less than ₹10,000

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

As at the year ended March 31, 2022 and March 31, 2021, the Group is having net deferred tax assets primarily comprising of unabsorbed depreciation and carry forward losses under tax laws. However in the absence of reasonable certainty as to its realization of Deferred Tax Assets (DTA), DTA has not been created.

| Particulars | March 31, 2022 | March 31, 2021 |
|----------------------------------|----------------|----------------|
| Deferred Tax Liability | | |
| Impact on business combination | 4,305.30 | 58.18 |
| Deferred Tax Assets | | |
| Deductible temporary differences | 3,120.74 | 1,989.92 |
| Brought forward losses* | 1,884.72 | 2,027.96 |
| Unabsorbed depreciation* | 1,283.61 | 914.36 |
| Recognised in books | Nil | Nil |

* above balance is the potential tax benefit on brought forward losses of ₹6,308.78 millions (March 31, 2021: ₹6,659.70 millions) and on Unabsorbed depreciation of ₹4,114.13 millions (March 31, 2021: 2,930.63 millions).

Maturity period of brought forward losses for which no deferred tax are recognised in the Consolidated Financial Statements:

| Year of expiry | March 31, 2022 | | March 31, 2021 | |
|------------------|------------------------|------------------------|------------------------|------------------------|
| | Brought forward losses | Potential tax benefits | Brought forward losses | Potential tax benefits |
| 2020-2021 | - | - | 15.90 | 3.02 |
| 2021-2022 | - | - | 54.43 | 10.34 |
| 2022-2023 | 36.92 | 7.01 | 36.92 | 7.01 |
| 2023-2024 | 39.17 | 7.44 | 39.17 | 7.44 |
| 2024-2025 | 243.26 | 46.22 | 1,826.83 | 540.29 |
| 2025-2026 | 2,043.01 | 627.32 | 1,970.72 | 614.87 |
| 2026-2027 | 1,392.36 | 434.42 | 1,417.23 | 442.15 |
| 2027-2028 | 699.21 | 218.15 | 704.27 | 219.73 |
| 2028-2029 | 708.09 | 220.92 | 573.56 | 178.99 |
| 2029-2030 | 658.87 | 205.61 | - | - |
| No expiry period | 487.89 | 117.63 | 20.67 | 4.12 |

Maturity period of unabsorbed depreciation for which no deferred tax are recognised in the Consolidated Financial Statements:

| Year of expiry | March 31, 2022 | | March 31, 2021 | |
|------------------|-------------------------|------------------------|-------------------------|------------------------|
| | Unabsorbed depreciation | Potential tax benefits | Unabsorbed depreciation | Potential tax benefits |
| No expiry period | 4,114.13 | 1,283.61 | 2,930.63 | 914.36 |

Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2022 and March 31, 2021

| Particular | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Accounting profit before income tax | (10,293.30) | (4,157.43) |
| At India's statutory income tax rate of 31.2% (March 31, 2021: 31.2%) | (3,211.51) | (1,297.12) |
| Share of results of associates | 10.07 | - |
| Tax in foreign jurisdiction | 75.78 | 60.49 |
| Other non-deductible items | 835.24 | (51.22) |
| Losses on which deferred taxes not recognised | 227.56 | 194.15 |
| Unabsorbed depreciation on which deferred taxes not recognised | 384.73 | 266.10 |
| Other temporary differences on which deferred taxes utilised | 249.40 | - |
| Other temporary differences on which deferred taxes not recognised | 1,605.69 | 827.60 |
| Difference in tax rates | 6.34 | - |
| Income tax expense reported in the consolidated statement of profit and loss | (183.30) | - |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

32 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Share-based payments

Employees of the Group receives remuneration in the form of share based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). In accordance with the Ind AS 102 Share Based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the statement of profit and loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality table. The mortality table tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 33

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful Life of property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation on all property plant and equipment are provided on a written-down value method based on the estimated useful life of the asset. The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives based on management's assessment of their respective economic useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Impairment of goodwill

The Group estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies.

Loss allowance on trade receivables:

Provision for expected credit losses of trade receivables and contract assets. The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 6. The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows

Business combinations

During the year ended March 31, 2022 and March 31, 2021, the Group had made an acquisition (refer note 36.1). The assets acquired were recognized at fair value at the date of acquisition. Goodwill was recognized as the remaining portion of the purchase price that was not allocated to the acquired assets as part of the purchase price allocation. To determine the fair values of individual assets acquired including property, plant and equipment, non-compete and customer relationships, complex valuation models based on assumptions were used. This measurement was dependent on estimates of future cash flows as well as the cost of capital applied.

Assets Acquisitions

During the year ended March 31, 2022, the Group had made an asset acquisition (refer note 36.2). The assets acquired were recognized at fair value at the date of acquisition. To determine the fair values of individual assets acquired including property, plant and equipment, non-compete and customer relationships, complex valuation models based on assumptions were used. This measurement was dependent on estimates of future cash flows as well as the cost of capital applied.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Revenue Recognition (Ind AS 115)

The allocation of the transaction price over timing of satisfaction of performance obligation:

Under the revenue recognition standard Ind AS 115 revenue has been recognised when control over the services transfers to the customer i.e., when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits. The revenue from logistics service is recognised over a period of time.

The Group has recognized the revenue in respect of undelivered shipments to the extent of completed activities undertaken with respect to delivery. At period end, the Group, based on its tracking systems classifies the ongoing shipments in transit into stages of delivery (first mile, linehaul, last mile) and applies estimated percentage of service completion to recognise revenue which is calculated on the basis of number of days the shipment has been in transit from the pickup date till reporting date as a percentage of average days taken to deliver these shipments from the pickup date.

Leases

The lease payments shall include fixed payments, variable lease payments, residual value guarantees and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

33. Gratuity plan

The Group has a defined benefit gratuity plan. The gratuity plan of India is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who are in continuous service of five years are entitled to specific benefit. The level of benefits provided depends on the employees length of service and salary at retirement age. The gratuity plan is an unfunded plan and the Group does not make contribution to recognised funds.

The following tables summarize the components of net benefit expense recognized in the consolidated statement of profit and loss and amounts recognized in the consolidated statement of assets and liabilities for the Gratuity:-

Benefit liability

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Opening defined benefit obligation | 225.15 | 171.86 |
| Acquisition through assets purchase agreement | 29.35 | - |
| Acquisition through business combination | 87.81 | - |
| Interest cost | 21.46 | 11.88 |
| Current Service Cost | 88.36 | 69.94 |
| Benefits Paid | (26.39) | (18.15) |
| Actuarial gain on obligation | (23.13) | (10.38) |
| Closing defined benefit obligation | 402.60 | 225.15 |

Expense Recognised in the statement of Profit and Loss

Gratuity Cost for the year

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------|----------------|----------------|
| Current Service Cost | 88.36 | 69.94 |
| Interest Cost | 21.46 | 11.88 |
| Net gratuity cost | 109.82 | 81.82 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Remeasurement gains/(losses) in other comprehensive income

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| Actuarial Gain due to Demographic Assumption changes in DBO | 0.65 | - |
| Actuarial changes arising from changes in financial assumptions | 19.35 | (0.52) |
| Experience adjustments | 3.13 | 10.90 |
| Amount recognised in OCI during the year | 23.13 | 10.38 |

Actuarial assumptions

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------------------|-------------------------|-------------------------|
| Discount rate | 6.31% to 7.26% | 6.76% |
| Salary Growth Rate | 7% to 8% | 7.00% |
| Mortality | IALM (2012-14) ultimate | IALM (2012-14) ultimate |
| Upto 30 years | 15.00% | 15.00% |
| Between 31 and 44 years | 7.00% | 7.00% |
| Above 44 years | 2.00% | 2.00% |
| Normal retirement age | 60 years | 60 years |

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered taking into account the inflation, seniority, promotion and other relevant factors.

Attrition rate: The estimate of future employee turnover

A quantitative sensitivity analysis for significant assumption as at March 31, 2022 and March 31, 2021 is as shown below:

| Particulars | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
|--------------------------------------|--------------------------------|----------------|--------------------------------|----------------|
| Sensitivity level | Discount rate increase by 0.5% | | Discount rate decrease by 0.5% | |
| Impact on defined benefit obligation | (22.77) | (13.56) | 25.41 | 15.05 |
| Sensitivity level | Future salary increase by 0.5% | | Future salary decrease by 0.5% | |
| Impact on defined benefit obligation | 23.13 | 14.00 | (21.29) | (12.83) |

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 11.39 years (March 31, 2021: 11.36 years).

The following payments are expected contributions to the defined benefit plan in future years:

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Within the next 12 months (next annual reporting period) | 22.92 | 10.89 |
| Between 2 and 5 years | 102.49 | 59.87 |
| More than 5 years | 556.69 | 312.64 |
| Total expected payments | 682.10 | 383.90 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

34 Leases

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

| Particulars | Amount |
|--------------------------------------|-----------------|
| As at April 01, 2020 | 4,781.14 |
| Additions | 5,509.04 |
| Deletions | (559.82) |
| Depreciation expense (refer note 27) | (1,902.32) |
| As at March 31, 2021 | 7,828.04 |
| Acquisition of subsidiary | 818.60 |
| Additions | 1,918.28 |
| Deletions | (1,287.18) |
| Depreciation expense (refer note 27) | (2,337.20) |
| As at March 31, 2022 | 6,940.54 |

Set out below are the carrying amounts of lease liabilities and the movements during the year:

| | |
|---------------------------------------|-----------------|
| As at April 01, 2020 | 4,978.31 |
| Additions | 4,612.84 |
| Accretion of interest (refer note 28) | 683.05 |
| Payments | (2,118.60) |
| As at March 31, 2021 | 8,155.60 |
| Acquisition of subsidiary | 920.21 |
| Additions | 1,844.62 |
| Accretion of interest (refer note 28) | 742.60 |
| Payments | (2,681.64) |
| Deletion | (1,497.59) |
| As at March 31, 2022 | 7,483.80 |

| Particulars | March 31, 2022 | March 31, 2021 |
|-------------|----------------|----------------|
| Current | 1,756.28 | 1,617.16 |
| Non-current | 5,727.52 | 6,538.44 |

The following are the amounts recognised in Statement of Profit and Loss:

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|-----------------------------------|-----------------------------------|
| Depreciation expense of right-of-use assets (refer note 27) | 2,337.20 | 1,902.32 |
| Interest expense on lease liabilities (refer note 28) | 742.60 | 683.05 |
| Expense relating to short-term leases (refer note 23) | 1,531.06 | 1,038.38 |
| Stamp duty expense | - | (2.58) |
| Rent waiver on lease liabilities (refer note 22.2) | - | (33.80) |
| Gain on modification / termination of lease contracts (refer note 22.2) | (210.27) | (99.76) |
| Total amount recognised in Profit or Loss | 4,400.59 | 3,487.61 |

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised and has assessed that the Group is reasonably certain to exercise the extension options, while not exercising the termination option. Accordingly, there are no undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The effective interest rate for lease liabilities based on the duration of leases is -
0 - 36 months - 7.50% (March 31, 2021: 7.95%)
37 - 72 months - 8.00% (March 31, 2021: 8.50%)
73 months & Above - 8.25% (March 31, 2021: 8.75%)

Rental expense recorded for short-term leases was ₹1,531.06 millions in the year ended March 31, 2022 (March 31, 2021: ₹1,038.38 millions).

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Consolidated Statement of Profit and Loss.

The Group has applied practical expedient in Indian Accounting Standard (Ind AS 116) notified vide Companies (Indian Accounting Standards) Amendment Rules, 2020 by Ministry of Corporate Affairs ('MCA') on 24 July 2020 to all rent concessions received as a direct consequence of COVID-19 pandemic. Accordingly, the Group recognized an amount of ₹33.80 millions as other income (refer note 22) during the year ended March 31, 2021.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

| Particulars | As at March 31, 2022 | As at 31 March, 2021 |
|------------------------|----------------------|----------------------|
| Less than one year | 2,335.83 | 2,266.70 |
| One to four years | 4,884.04 | 5,355.80 |
| More than four years | 2,140.65 | 2,763.10 |
| Closing balance | 9,360.52 | 10,385.60 |

35. Related party transactions

Names of related parties and related party relationship:

Related parties under Ind AS 24:

| | |
|---|--|
| Entities with significant influence over the Group | SVF Doorbell (Cayman Limited) |
| Subsidiaries | Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited) Delhivery USA LLC Delhivery Corp Limited, London, United Kingdom Delhivery HK Pte. Ltd. Orion Supply Chain Private Limited Delhivery Freight Services Pvt Ltd. (w.e.f April 21, 2020) Delhivery Singapore Pte. Ltd (w.e.f. August 02, 2021) Spoton Logistics Private Limited (w.e.f. August 24, 2021) |
| Step Down Subsidiaries | Delhivery Robotics LLC (w.e.f. August 23, 2021) Spoton Supply Chain Solutions Private Limited (formerly known as RAAG Technologies and Services Private Limited) (w.e.f. August 24, 2021) |
| Associate | Leucon Technology Private Limited (till November 19, 2021) FALCON AUTOTECH Private Limited (w.e.f. January 04, 2022) |
| Key Management Personnel ('KMP') | Mr. Sahil Barua Director and Chief Executive Officer (Redesignated as Managing Director on October 13, 2021) Mr. Mohit Tandon Chief Strategy Officer - Client Servicing (till February 28, 2021) Mr. Suraj Saharan Head - Orion till 1 August 2021 and Head - New Ventures (w.e.f. August 01, 2021) Mr. Bhavesh Kishor Manglani Head - Platforms (till December 11, 2020) Mr. Kapil Bharati Chief Technology Officer (Executive Director w.e.f August 19, 2021) Mr. Ajith Pai Mangalore Chief Financial Officer till June 30, 2020 and Chief Operating Officer w.e.f July 01, 2020 Mr. Amit Agarwal Vice President Finance till June 30, 2020 and Chief Financial Officer w.e.f July 01, 2020 Mrs. Pooja Gupta Chief People Officer (w.e.f. April 01, 2021) Mr. Abhik Mitra Managing Director and Chief Executive Officer of Material Subsidiary (w.e.f. August 24, 2021) Mr. Deepak Manglani Company Secretary (till April 15, 2020) Ms. Kriti Gupta Company Secretary (w.e.f August 22, 2020 till June 19, 2021) Mr. Vivek Kumar Company Secretary(w.e.f June 19, 2021 till September 17, 2021) Mr. Sunil Kumar Bansal Company Secretary (w.e.f September 17, 2021) Mr. Sandeep Kumar Barasia Whole-Time-Director and Chief Business Officer (Redesignated as Executive Director on October 13, 2021) Mr. Suvir Suren Sujjan Nominee Director Mr. Gautam Sinha Nominee Director (resigned w.e.f. October 22, 2021) Mr. Srivatsan Ranjan Non-Executive Director (Redesignated as Independent Director w.e.f. October 1, 2021) |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| | |
|--|--|
| Mr. Neeraj Bhardwaj | Nominee Director (resigned w.e.f. October 13, 2021) |
| Mr. Deep Verma | Nominee Director (resigned w.e.f. October 13, 2021) |
| Mr. Deepak Kapoor | Non-Executive Director (Redesignated as Independent Director w.e.f. October 1, 2021) |
| Ms. Hanne Birgitte Breinbjerg Sorensen | Non-Executive Director (resigned w.e.f. October 1, 2021) |
| Ms. Anjali Bansal | Non-Executive Director (resigned w.e.f. September 16, 2021) |
| Mr. Munish Ravinder Varma | Nominee Director |
| Mr. Yanxiang Lu | Nominee Director (resigned w.e.f. June 04, 2020) |
| Mr. Sumer Juneja | Nominee Director (resigned w.e.f. October 22, 2021) |
| Mr. Agus Tandiono | Nominee Director (resigned w.e.f. April 08, 2022) |
| Mr. Jiang Bo | Nominee Director (w.e.f. June 25, 2020 till October 13, 2021) |
| Mr. Romesh Sobti | Non Executive - Independent Director (w.e.f. October 1, 2021) |
| Mr. Saugata Gupta | Non Executive - Independent Director (w.e.f. October 1, 2021) |
| Ms. Kalpana Morparia | Non Executive - Independent Director (w.e.f. October 13, 2021) |
| Mr. Donald Francis Colleran | Non Executive - Nominee Director (w.e.f. December 24, 2021) |

Summary of transactions with the above related parties is as follows:

A. Transactions during the year:

| Nature of transactions | Key management personnel | | Associate | | Total | |
|--|--------------------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Investment in Associate | | | | | | |
| - FALCON AUTOTECH Private Limited | - | - | 2,518.94 | - | 2,518.94 | - |
| Services provided | | | | | | |
| - Leucon Technology Private Limited | - | - | 9.18 | 53.30 | 9.18 | 53.30 |
| Services received | | | | | | |
| - Leucon Technology Private Limited | - | - | 3.27 | - | 3.27 | - |
| - FALCON AUTOTECH Private Limited | - | - | 16.77 | - | 16.77 | - |
| Share of loss of associates (net) | | | | | | |
| - FALCON AUTOTECH Private Limited | - | - | 32.27 | - | 32.27 | - |
| Remuneration to Key Managerial Personnel* | | | | | | |
| Short term employees benefits | | | | | | |
| Mr. Sahil Barua | 388.19 | 43.31 | - | - | 388.19 | 43.31 |
| Mr. Mohit Tandon | - | 5.79 | - | - | - | 5.79 |
| Mr. Suraj Saharan | 89.58 | - | - | - | 89.58 | - |
| Ms. Pooja Gupta | 113.37 | - | - | - | 113.37 | - |
| Mr. Abhik Mitra | 52.33 | - | - | - | 52.33 | - |
| Mr. Kapil Bharati | 519.21 | 39.25 | - | - | 519.21 | 39.25 |
| Mr. Ajith Pai Mangalore | 400.01 | 118.97 | - | - | 400.01 | 118.97 |
| Mr. Amit Agarwal | 374.41 | 45.43 | - | - | 374.41 | 45.43 |
| Mr. Sandeep Kumar Barasia | 418.50 | 129.49 | - | - | 418.50 | 129.49 |
| Mr. Deepak Manglani | - | 0.18 | - | - | - | 0.18 |
| Ms. Kriti Gupta | 0.14 | 0.29 | - | - | 0.14 | 0.29 |
| Mr. Vivek kumar | 0.95 | - | - | - | 0.95 | - |
| Mr. Sunil Kumar Bansal | 6.63 | - | - | - | 6.63 | - |
| Loan to KMP | | | | | | |
| Mr. Sandeep Kumar Barasia | - | 51.40 | - | - | - | 51.40 |
| Mr. Sahil Barua | - | 23.50 | - | - | - | 23.50 |
| Mr. Kapil Bharati | - | 23.50 | - | - | - | 23.50 |
| Mr. Ajith Pai Mangalore | - | 23.50 | - | - | - | 23.50 |
| Mr. Amit Agarwal | - | 23.50 | - | - | - | 23.50 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Nature of transactions | Key management personnel | | Associate | | Total | |
|--|--------------------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Loan Repaid | | | | | | |
| Mr. Sandeep Kumar Barasia | 25.70 | 1.00 | - | - | 25.70 | 1.00 |
| Mr. Ajith Pai Mangalore | 23.50 | - | - | - | 23.50 | - |
| Mr. Kapil Bharati | 23.50 | - | - | - | 23.50 | - |
| Mr. Sahil Barua | 23.50 | - | - | - | 23.50 | - |
| Mr. Amit Agarwal | 23.50 | - | - | - | 23.50 | - |
| Fees to Non-Executive Directors | | | | | | |
| Ms. Anjali Bansal | 3.02 | 6.50 | - | - | 3.02 | 6.50 |
| Mr. Deepak Kapoor | 7.00 | 6.50 | - | - | 7.00 | 6.50 |
| Ms. Hanne Birgitte Breinbjerg Sorensen | 3.68 | 7.50 | - | - | 3.68 | 7.50 |
| Mr. Romesh Sobti | 3.25 | - | - | - | 3.25 | - |
| Mr. Saugata Gupta | 3.25 | - | - | - | 3.25 | - |
| Mr. Kalpana Jaisingh Morparia | 3.04 | - | - | - | 3.04 | - |
| Mr. Srivatsan Ranjan | 6.50 | 6.50 | - | - | 6.50 | 6.50 |

* Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave encashment, as they are determined on an actuarial basis for the Group as a whole.

B. Balances as the year end:

| Nature of balances | Key management personnel | | Associate | | Total | |
|---|--------------------------|----------------|----------------|----------------|----------------|----------------|
| | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 | March 31, 2022 | March 31, 2021 |
| Outstanding balance receivable/(payable) | | | | | | |
| - FALCON AUTOTECH Private Limited | - | - | 94.52 | - | 94.52 | - |
| - Leucon Technology Private Limited | - | - | - | 4.43 | - | 4.43 |
| Balance outstanding at year end | | | | | | |
| Salary Payable** | | | | | | |
| Mr. Sahil Barua | 2.13 | 5.89 | - | - | 2.13 | 5.89 |
| Mr. Suraj Saharan | 2.14 | - | - | - | 2.14 | - |
| Ms. Pooja Gupta | 1.50 | - | - | - | 1.50 | - |
| Mr. Abhik Mitra | 0.85 | - | - | - | 0.85 | - |
| Mr. Kapil Bharati | 1.86 | 5.15 | - | - | 1.86 | 5.15 |
| Mr. Ajith Pai Mangalore | 3.50 | 5.13 | - | - | 3.50 | 5.13 |
| Mr. Amit Agarwal | 2.16 | 3.05 | - | - | 2.16 | 3.05 |
| Mr. Sandeep Kumar Barasia | 2.66 | 6.69 | - | - | 2.66 | 6.69 |
| Ms. Kriti Gupta | - | 0.04 | - | - | - | 0.04 |
| Mr. Sunil Kumar Bansal | 0.27 | - | - | - | 0.27 | - |
| Loans and advances to related parties | | | | | | |
| Mr. Sandeep Kumar Barasia | 24.80 | 50.40 | - | - | 24.80 | 50.40 |
| Mr. Sahil Barua | - | 23.50 | - | - | - | 23.50 |
| Mr. Kapil Bharati | - | 23.50 | - | - | - | 23.50 |
| Mr. Ajith Pai Mangalore | - | 23.50 | - | - | - | 23.50 |
| Mr. Amit Agarwal | - | 23.50 | - | - | - | 23.50 |
| Fees payable to Non-Executive Directors | | | | | | |
| Ms. Anjali Bansal | - | 1.63 | - | - | - | 1.63 |
| Mr. Deepak Kapoor | 1.88 | 1.63 | - | - | 1.88 | 1.63 |
| Ms. Hanne Birgitte Breinbjerg Sorensen | - | 1.88 | - | - | - | 1.88 |
| Mr. Romesh Sobti | 1.63 | - | - | - | 1.63 | - |
| Mr. Saugata Gupta | 1.63 | - | - | - | 1.63 | - |
| Mr. Kalpana Jaisingh Morparia | 1.63 | - | - | - | 1.63 | - |
| Mr. Srivatsan Ranjan | 1.63 | 1.63 | - | - | 1.63 | 1.63 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

** Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave encashment, as they are determined on an actuarial basis for the Group as a whole.

36.1 Business combinations

(a) Acquisition of Spoton logistics Private limited ("Spton")

The Company acquired 100% investment in Spoton Logistics Private limited (Company engaged in the domestic road business and Air business) for a consideration of ₹15,216.02 millions vide share purchase agreement dated July 29, 2021. Post the completion of acquisition Spoton Logistics Private Limited has become 100% subsidiary of Delhivery Limited w.e.f August 24, 2021.

Assets acquired

The fair values of the identifiable assets of Spoton as at the date of acquisition August 24, 2021 were:

| Particular | Balance recognized on acquisition |
|---|-----------------------------------|
| Assets | |
| Technology/ software | 300.67 |
| Customer relationships | 1,367.90 |
| Vendor relationships | 309.50 |
| Right of use assets | 818.60 |
| Goodwill | 688.73 |
| Brand | 1,014.50 |
| Property, plant and equipment | 191.59 |
| Intangible assets under development | 15.81 |
| Other financial assets | 790.02 |
| Other assets | 103.33 |
| Tax assets (net) | 285.06 |
| Cash and cash equivalents* | 1,236.04 |
| Other Bank balance | 6.51 |
| Trade receivables | 1,796.15 |
| Deffered Tax | 3.78 |
| Total Assets | 8,928.19 |
| Liabilities | |
| Borrowing | 3,339.54 |
| Lease liaibilities | 920.21 |
| Provisions | 103.27 |
| Trade payables | 1,189.29 |
| Other liabilities | 322.26 |
| Deferred tax liabilities on intangible assets | 913.91 |
| Total Liabilities | 6,788.48 |
| Identifiable net asset at fair value | 2,139.71 |
| Goodwill arising on acquisition | 13,076.31 |
| Purchase consideration | 15,216.02 |

*Includes amount of ₹8.15 Millions on conversion of ESOPs to equity shares held by existing employees of Spoton Logistics Private Limited post acquisition date and which were subsequently acquired by Delhivery Limited (formerly known as Delhivery Private Limited).

The goodwill of ₹13,076.31 millions comprises the value of expected synergies arising from the acquisition.

If the acquisition had taken place at the beginning of the year, revenue from continuing operations would have been higher by ₹3,601.18 millions and the losses before tax from continuing operations for the Group from "Spton" would have been higher by ₹281.46 millions.

From the date of acquisition, "Spton" has contributed ₹1,009.85 millions of revenue* and ₹27.23 millions of loss* to the loss before tax from the operations of the Group.

* Before inter- company elimination.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Purchase consideration

| Particular | Amount |
|---|------------------|
| Cash consideration paid | 15,109.28 |
| Portion of market based measure of Spoton share-based payments scheme attributable to pre-combination service * | 106.74 |
| Total Purchase consideration | 15,216.02 |

* The Company acquired Spoton Group for consideration of ₹15,216.02 millions on August 24, 2021. The consideration includes ₹15,109.28 millions paid in cash and ₹106.74 millions discharged through replacement of ESOP awards to select ESOP holders of Spoton Group as part of the obligations undertaken by Delhivery as per the contractual arrangement entered between the parties upon the acquisition.

Analysis of cash flows on acquisition:

| Particular | Amount |
|---|------------------|
| Payment towards acquisition of business (included in cash flow from investing activities) | 15,109.28 |
| Net cash used in acquisition | 15,109.28 |

All other disclosures as required under IND AS 103 are as follows:

- There were no contingent consideration arrangements entered into with the acquiree,
- No contingent liabilities have been recognised,
- There are no such transactions that are recognized separately from the acquisition of assets and assumption of liabilities in the business combination,
- The above business combination is not a bargain-purchase
- The above business combination is not achieved in stages.
- Goodwill is not tax deductible

b) Primaseller Inc. (Primasellar)

The Company entered into an asset purchase agreement with Primaseller Inc. (Primasellar) on February 20, 2021, to purchase the assets, along with employing all such employees who wanted to be employed with the Group at a total purchase consideration of ₹35.00 millions.

Primaseller acquired can be integrated with Group's available input and processes i.e. tech platform, logistic business etc to generate output in the form of revenue. Primaseller product acquisition enables SME retailers (target customers) manage their orders and inventory easily through a common platform. Thereby in order to explore this platform Group has acquired the same.

Assets acquired

The fair values of the identifiable assets of Primasellar as at the date of acquisition were:

| Particular | Amount |
|-------------------------------|--------------|
| Technology/ software | 34.92 |
| Goodwill | 0.08 |
| Purchase Consideration | 35.00 |

The goodwill of ₹0.08 millions comprises the value of expected synergies arising from the acquisition.

Purchase consideration

| Particular | Amount |
|-------------------------------------|--------------|
| Cash consideration paid | 35.00 |
| Total Purchase consideration | 35.00 |

All other disclosures as required under IND AS 103 are as follows:

- There were no contingent consideration arrangements entered into with the acquiree,
- No contingent liabilities have been recognised,
- There are no such transactions that are recognized separately from the acquisition of assets and assumption of liabilities in the business combination,
- The above business combination is not a bargain-purchase

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

(v) The above business combination is not achieved in stages.

(vi) Goodwill is not tax deductible.

c) Business transfer agreement with Delhivery Freight services private limited ("DFSPL")

During year ended March 31, 2021, business transfer agreement has been executed on October 1, 2020 ('the BTA') between Delhivery Limited and Delhivery Freight Services Private Limited (DFSPL), pursuant to provisions of the Companies Act, 2013 ("the Act") and rules framed thereunder.

Delhivery Limited agreed to transfer convey and deliver to DFSPL, the Full Truck Load Business (FTL) Business (as defined hereinafter) as a going concern on a slump sale basis (as defined in Section 2(42C) of the Income Tax Act, 1961) for a lump sum consideration of ₹91.20 millions without values being assigned to individual assets and liabilities.

FTL business means the business of providing freight services.

There is no impact of the business transfer on the Consolidated Financials Statements.

d) Scheme of Arrangement ("the Scheme") between Vankatesh Pharma Private Limited and Spoton Logistics Private Limited and their respective shareholders under section 230 to 232 read with Section 66 of the Companies Act, 2013 ("the Act") and the rules made thereunder.

Spoton Logistics Private Limited has amalgamated with Venkatesh Pharma Private Limited under the scheme of arrangement approved by National Company Law Tribunal (NCLT) on November 27, 2019 under the provisions of the Companies Act, 2013. Accordingly, the Scheme was accounted for in accordance with erstwhile applicable Accounting Standard 14 "Accounting for Amalgamations".

Goodwill arising from Business combination has been amortised over a period of five year in accordance with method as prescribed under NCLT scheme, which overrides the relevant requirement of Ind AS 103 'Business Combinations' and Ind AS 36 'Impairment of assets' (according to which acquired Goodwill is not permitted to be amortised and is required to be tested annually for impairment).

36.2 Assets Acquisition

a) Acquisition during the year ended March 31, 2022

As on July 15, 2021, the company has entered into assets purchase agreement with FedEx Express Transportation and Supply Chain Services (India) Private Limited and Tnt India Private Limited, via tri-party agreement. Approval from Completion Commission of India (CCI) has been received as on November 23, 2021 and consideration of ₹1,864.27 millions has been transferred to FedEx as on December 04, 2021.

Assets acquired

The fair values of the identifiable assets and liabilities of ('FedEx') as at the date of assets acquisition November 23, 2021 were:

| Particular | Balance recognized on acquisition |
|--|-----------------------------------|
| Computers/Servers | 28.19 |
| Office Equipment | 104.30 |
| Furniture and Fixtures | 9.78 |
| Vehicles | 216.19 |
| Plant and Equipment | 4.59 |
| Leasehold Improvements | 44.48 |
| Land and Building | 61.93 |
| Software | 0.42 |
| Non - Compete | 180.61 |
| Customer relationships | 488.88 |
| Others* | 724.90 |
| Purchase Consideration | 1,864.27 |
| Less: Provision for termination benefit (Employee actuarial liability) | (34.80) |
| Add: Security Deposits (assets) | 19.20 |
| Net Consideration Paid | 1,848.67 |

*Above balance of ₹724.90 millions includes amount of Cross Border Franchisee Agreement - imports of ₹391.80 millions and Cross Border Franchisee Agreement - exports of ₹333.10 millions.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Purchase consideration

| Particular | Amount |
|---|-----------------|
| Cash consideration paid | 1,848.67 |
| Add: Provision for termination benefit (Employee actuarial liability) | 34.80 |
| Less: Security Deposits (assets) | (19.20) |
| Total Purchase consideration | 1,864.27 |

Analysis of cash flows on acquisition:

| Particular | Amount |
|---|-----------------|
| Payment towards acquisition of business (included in cash flow from investing activities) | 1,848.67 |
| Net cash used in acquisition | 1,848.67 |

b) Assets purchase and transfer agreement with Delhivery Robotics LLC and Transition Robotics Inc, via agreement dated November 17, 2021 for the purchase consideration of USD 0.50 millions i.e. ₹37.19 millions (Exchange rate as on November 17, 2021: USD/ ₹74.37).

The fair values of the identifiable assets of Transition Robotics Inc. as at the date of acquisition were:

| Particular | Amount |
|-------------------|--------|
| Computers/Servers | 37.19 |

Purchase consideration

| Particular | Amount |
|-------------------------------------|--------------|
| Cash consideration paid | 37.19 |
| Total Purchase consideration | 37.19 |

Analysis of cash flows on acquisition:

| Particular | Amount |
|---|--------------|
| Payment towards acquisition of business (included in cash flow from investing activities) | 37.19 |
| Net cash used in acquisition | 37.19 |

36.3 Investment in Associates

The company has made 34.55% investment in FALCON AUTOTECH Private Limited (Company engaged in the autotech business) for a consideration of ₹2,518.94 millions vide share purchase agreement dated December 31, 2021. Upon closure of transaction on January 04, 2022, FALCON AUTOTECH Private Limited has become an associate of the Company.

37.1 Fair Values

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

| Particulars | Amortised cost | Financial assets/ liabilities at fair value through profit or loss | | Carrying value |
|---|------------------|--|------------------|------------------|
| | | Designated upon initial recognition | Mandatory | |
| Assets: | | | | |
| Cash and cash equivalents (refer note 12) | 2,290.00 | - | - | 2,290.00 |
| Investments (current) (refer note 5) | - | - | 14,612.33 | 14,612.33 |
| Investments (non-current) (refer note 5) | - | - | 3,808.39 | 3,808.39 |
| Investments in equity securities (non-current) (refer note 5) | 2,486.67 | - | - | 2,486.67 |
| Trade receivables (refer note 7) | 9,902.50 | - | - | 9,902.50 |
| Loans (current) (refer note 8) | 89.31 | - | - | 89.31 |
| Other financial assets (refer note 9) | 13,309.07 | - | - | 13,309.07 |
| Total | 28,077.55 | - | 18,420.72 | 46,498.27 |
| Liabilities: | | | | |
| Trade payables (refer note 20) | 8,345.00 | - | - | 8,345.00 |
| Borrowing (refer note 16) | 3,531.39 | - | - | 3,531.39 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Particulars | Amortised cost | Financial assets/ liabilities at fair value through profit or loss | | Carrying value |
|---|------------------|--|-----------|------------------|
| | | Designated upon initial recognition | Mandatory | |
| Other financial liabilities (refer note 17) | 1,498.48 | - | - | 1,498.48 |
| Lease liabilities (refer note 34) | 7,483.80 | - | - | 7,483.80 |
| Total | 20,858.67 | - | - | 20,858.67 |

The carrying value and fair value of financial instruments by categories as of March 31, 2021 were as follows:

| Particulars | Amortised cost | Financial assets/ liabilities at fair value through profit or loss | | Carrying value |
|---|------------------|--|------------------|------------------|
| | | Designated upon initial recognition | Mandatory | |
| Assets: | | | | |
| Cash and cash equivalents (refer note 12) | 2,758.63 | - | - | 2,758.63 |
| Other bank balances (refer note 13) | 15.78 | - | - | 15.78 |
| Investments (current) (refer note 5) | - | - | 7,075.64 | 7,075.64 |
| Investments (non-current) (refer note 5) | - | - | 4,204.44 | 4,204.44 |
| Investments in equity securities (non-current) (refer note 5) | 1.55 | - | - | 1.55 |
| Trade receivables (refer note 7) | 5,945.82 | - | - | 5,945.82 |
| Loans (current) (refer note 8) | 264.21 | - | - | 264.21 |
| Other financial assets (refer note 9) | 11,701.88 | - | - | 11,701.88 |
| Total | 20,687.87 | - | 11,280.08 | 31,967.95 |
| Liabilities: | | | | |
| Trade payables (refer note 20) | 4,422.30 | - | - | 4,422.30 |
| Borrowing (refer note 16) | 2,828.59 | 184.84 | - | 3,013.43 |
| Lease liabilities (refer note 34) | 8,155.60 | - | - | 8,155.60 |
| Other financial liabilities (refer note 17) | 1,305.75 | - | - | 1,305.75 |
| Total | 16,712.24 | 184.84 | - | 16,897.08 |

The following methods / assumptions were used to estimate the fair values:

- The carrying value of trade receivables, cash and cash equivalents, trade payables, security deposits, lease liabilities and other current financial assets and other current financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.
- The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.
- Fair value of quoted mutual funds is based on quoted market prices at the reporting date.
- Fair value of debt instruments is estimated based on discounted cash flows valuation technique using the cash flow projections, discount rate and credit risk.
- Fair value of the Compulsorily Convertible Preference Shares is estimated based on discounted cash flow valuation technique using cash flow projections and financial projections/budgets approved by the management.

37.2 (a) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Level 1 – Quoted prices in active market

Level 2 – Significant observable inputs

Level 3 – Significant unobservable inputs

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

| Particulars | March 31, 2022 | Fair value measurement at end of the reporting year using | | |
|--|----------------|---|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Assets | | | | |
| Investments in bonds, non convertible debentures, mutual fund units (refer note 5) | 18,420.73 | 18,420.73 | - | - |

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2021:

| Particulars | March 31, 2021 | Fair value measurement at end of the reporting year using | | |
|--|----------------|---|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Assets | | | | |
| Investments in bonds, non convertible debentures, mutual fund units (refer note 5) | 11,280.08 | 11,280.08 | - | - |
| Liabilities | | | | |
| Compulsorily Convertible Preference Shares (refer note 16) | 184.84 | - | - | 184.84 |

37.2 (b) Fair value hierarchy

| Reconciliation of Level 3 fair value measurement is as follows: | | Compulsorily Convertible Preference Shares | |
|---|----------------|--|--|
| Particulars | March 31, 2022 | March 31, 2021 | |
| Balance at the beginning of the year | 184.84 | - | |
| Addition during the year | 957.40 | 91.94 | |
| Fair value loss on financial instruments at fair value through profit or loss | 2,997.39 | 92.90 | |
| Converted to Equity | (4,139.63) | - | |
| Balance at the end of the year | - | 184.84 | |

37.2 (c) Fair value hierarchy

Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets / liabilities as of March 31, 2022 and March 31, 2021:

| Financial Liabilities | Valuation technique(s) | Key Input(s) | Sensitivity |
|--|------------------------|---|--------------------|
| Compulsorily Convertible Preference Shares | Option Pricing Method* | i) Risk Free Discount rate - 4.7% (March 31, 2021-6%) ii) Volatility rate 50% (March 31, 2021 -40.02%) iii) Liquidity event timeline - 4 to 5 years | Refer Note below** |

* The fair values of financial assets included in level 3 have been determined in accordance with generally accepted pricing models based on a option pricing method, with the most significant inputs being the risk free discount rate that reflects the credit risk of counter parties.

** Sensitivity to changes in unobservable inputs: The fair value of these financial assets is directly proportional to the estimated entity valuation. If the entity were to increase / decrease by 5% with all the other variables held constant, the fair value of the financial liabilities would increase / decrease by 5%.

37.3 Financial risk management objectives and policies

Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. The Group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Group ensures optimization of cash through fund planning and robust cash management practices.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

i) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the financial assets and liabilities of the Group are either non-interest bearing or fixed interest bearing instruments, the Group's net exposure to interest risk is negligible.

An increase in interest rate by 1% will result in increase in loss by ₹118.67 millions (March 31, 2021: ₹13.60 millions) and decrease in interest rate by 1% will result in decrease in loss by ₹91.06 millions (March 31, 2021: ₹14.50 millions).

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The entire revenue and majority of the expenses of the Group are denominated in Indian Rupees.

Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(B) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the Group through credit approvals and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as the Group's historical experience for customers.

(C) Credit risk exposure

The Group has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12 months expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively. The calculation is based on historical data of actual losses.

(D) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The Group's largest customer accounted for approximately 13.44% of net sales year ended March 31, 2022 (March 31, 2021: 14%, and 12%, respectively).

(E) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

The table below provides details regarding the contractual undiscounted maturities of significant financial liabilities as of March 31, 2022:

| Particulars | Carrying Amount | Less than 1 year | 1-2 years | 2-4 years | > 4 years | Total |
|---|-----------------|------------------|-----------|-----------|-----------|----------|
| Trade payables (refer note 20) | 8,345.00 | 8,345.00 | - | - | - | 8,345.00 |
| Borrowing (refer note 16)* | 3,531.39 | 2,478.02 | 1,386.80 | 24.13 | - | 3,888.95 |
| Other financial liabilities (refer note 17) | 1,498.48 | 1,498.48 | - | - | - | 1,498.48 |

The table below provides details regarding the contractual undiscounted maturities of significant financial liabilities as of March 31, 2021:

| Particulars | Carrying Amount | Less than 1 year | 1-2 years | 2-4 years | > 4 years | Total |
|---|-----------------|------------------|-----------|-----------|-----------|----------|
| Trade payables (refer note 20) | 4,422.30 | 4,422.30 | - | - | - | 4,422.30 |
| Borrowing (refer note 16)* | 3,013.43 | 1,819.80 | 967.10 | 425.80 | - | 3,212.70 |
| Other financial liabilities (refer note 17) | 1,305.75 | 1,305.75 | - | - | - | 1,305.75 |

* It includes contractual interest payment based on interest rate prevailing at the end of the reporting period.

(F) Equity price risk

The Group invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), government securities. In order to manage its price risk arising from investments, the Group diversifies its portfolio in accordance with the limits set by the risk management policies.

37.4 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, instruments entirely equity in nature, securities premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. In the opinion of the Directors, the Group's capital risk is low.

| Particulars | March 31, 2022 | March 31, 2021 |
|--|------------------|------------------|
| Borrowings and Leases other than Compulsorily Convertible Preference Shares (refer note 16 and 34) | 11,015.19 | 10,984.19 |
| Less: cash and cash equivalents (refer note 12) | (2,290.00) | (2,758.63) |
| Net debt | 8,725.19 | 8,225.56 |
| Convertible preference shares (refer note 14 & 16) | - | 538.83 |
| Equity | 59,573.69 | 28,013.98 |
| Total capital | 59,573.69 | 28,552.81 |
| Capital and net debt | 68,298.88 | 36,778.37 |
| Gearing ratio | 12.78% | 22.37% |

No Material changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.

38. Commitments and contingencies

A. Capital and other commitments

- Capital commitment (net of advances) as on March 31, 2022 is ₹1,584.90 millions (March 31, 2021: ₹419.00 millions).
- Other commitment (Labour Guarantee- Dubai Branch) as on March 31, 2022 is Nil (March 31, 2021: ₹1.30 millions).
- Letter of comfort issued to lender against credit facilities availed by the Subsidiary Company (Spoton Logistics Private Limited) as on March 31, 2022 is ₹60.00 millions.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

B. Contingent Liability:

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Claims against the Group not acknowledged as debts | | |
| a) Tax matter in appeal: Income Tax | 344.92 | 344.92 |
| b) Service Tax | 622.59 | - |

Note 1: The claims against the Group comprises of:

- (a) The holding company received Assessment Order dated December 26, 2018 for FY 2015-2016 i.e. A.Y 2016-17 wherein the Assessing Officer (AO) raised Income tax demand of ₹1,835.70 millions under Income Tax Act, 1961. The company has filed appeal in respect of the above demand which is pending at Commissioner of Income Tax (Appeals). The company filed rectification petition under section 154 of the IT Act, wherein the company was allowed to set-off business loss and unabsorbed depreciation and demand was revised to ₹344.92 millions accordingly vide order dated September 15, 2021.
- (b) During year 2017-18, the Commissioner of service tax department had issued show cause notices (SCNs) for raising demands of ₹189.39 millions and ₹221.64 millions on March 28, 2018 for the period from January 2012 to March 2015 and from April 2015 to June 2017 respectively, in respect of classification of services of the Holding Company's subsidiary (Spoton Logistics Private Limited or "Spoton") vendors as a Goods Transport Agency for that period. The SCN alleged that vehicle hire services availed by the Spoton for transporting the goods of its customers both between the cities and within the city should be classified under "Goods Transportation Agency" ("GTA") as per section 65 (105) (zpp) of the Finance Act prior to July 1, 2012 and Spoton is required to pay the service tax under the reverse tax charge mechanism. Spoton had responded to these SCNs in 2017-18.

The Department passed adjudication order on September 06, 2018 with a service tax demand of ₹189.39 millions and along with interest and penalty of ₹189.39 millions for the period from January 2012 to March 2015. Spoton has filed an appeal before CESTAT against the order after paying ₹14.20 millions under protest. The SCN relating to the period from April 2015 to June 2017 is yet to be adjudicated as at March 31, 2021.

An adjudication order passed by Principal Commissioner of Central Tax, Bengaluru was received on July 28, 2021 with a tax demand of ₹221.64 millions along with interest and penalty of ₹22.16 millions for the period from April 2015 to June 2017. Based on the underlying facts, applicable laws and industry standards, Spoton is confident of prevailing against the Department's position and does not anticipate any adverse financial outcome. Additionally, Spoton has deposited ₹16.62 millions being 7.75% of the credit demanded in impugned order in compliance with section 35F(ii) of the Central Excise Act, 1944.

The Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required and hence these demands have been disclosed as contingent liability.

- (c) Appointment of Company Secretary:

Paid up capital of one of its Holding Company's subsidiary (Spoton Logistics Private Limited or "Spoton") is more than five crore rupees (ten crores w.e.f. April 01, 2020 as amended vide notification dated January 03, 2020, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014), Spoton was required to have a whole time CS. Spoton appointed whole time CS on May 02, 2019 and made two compounding applications with Registrar of Companies, one for compounding of offense till November 02, 2018 (till the time of adjudication provision became effective) and second for adjudication from November 02, 2018 (date of effectiveness of adjudication provision) till May 02, 2019 (date of appointment of Company Secretary). The Spoton's management does not expect significant penalty arising out of the compounding proceedings.

- (d) Spoton was unable to hold its annual general meeting for Fiscal year 2020 within the permitted timeline for holding such meetings due to the COVID-19 pandemic and certain other administrative delays, and was delayed in holding such a meeting by four months and four days. Spoton has filed a compounding application dated August 09, 2021 seeking compounding for such offence with the Registrar of Companies, Ahmedabad. Spoton's management expect that the compounding will not result in any significant penalties to Spoton.

Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

The Group doesn't expect any reimbursements in respect of the above contingent liabilities.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

- (e) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, Spoton has made a provision on a prospective basis from the date of the SC order. The company will update its provision, on receiving further clarity on subject.

39. Share-based payments

General Employee Share-option Plan (GESP): Delivery Employees Stock Option Plan, 2012

The Group provides share-based payment schemes to its employees. During the year ended March 31, 2022, three employee stock option plan (ESOP) were in existence. The relevant details of the schemes and the grant are as below:

On September 28, 2012, the board of directors approved the Delivery Employees Stock Option Plan, 2012 for issue of stock options to the key employees and directors of the company. According to the Scheme 2012, it applies to bona fide confirmed employees/directors and who are in whole – time employment of the company and as decided by the board of directors of the company or appropriate committee of the board constituted by the board from time to time. The options granted under the Scheme shall vest not less than one year and not more than four years from the date of grant of options. Once the options vest as per the Scheme, they would be exercisable by the Option Grantee at any time and the equity shares arising on exercise of such options shall not be subject to any lock-in period.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of and movements in share options during the year:

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|----------------|----------|
| | No. of options | WAEP (₹) | No. of options | WAEP (₹) |
| Outstanding at the beginning of the year [#] | 23,242,000 | 18.52 | 234,338 | 1,735.00 |
| Granted during the year | 7,466,609 | 13.29 | 29,525 | 2,985.00 |
| Forfeited during the year | (1,139,367) | 23.48 | (8,918) | 2,605.00 |
| Cancelled during the year | - | - | (8,248) | 2,985.00 |
| Exercised during the year | (17,783,800) | 15.55 | (14,277) | 1,340.63 |
| Outstanding at the end of the year | 11,785,442 | 19.24 | 232,420 | 1,852.00 |
| Exercisable at the end of the year | 11,785,442 | 19.24 | 232,420 | 1,852.00 |

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2022 is 2.87 years (March 31, 2021: 1.25 years). The range of exercise prices for options outstanding at the year end was ₹1 to ₹29.85 (March 31 2021: ₹226 to ₹2,985).

The weighted average fair value for the stock options granted during the year is ₹278.50 (March 31, 2021: 182.40).

The following tables list the inputs to the models used for the GESG plans for the year ended March 31, 2022 and March 31 2021, respectively:

| Particular | March 31, 2022 | March 31, 2021 |
|-----------------------------------|------------------------------------|----------------|
| Expected volatility (%) | 48.60% -59.40% | 51.00% |
| Risk-free interest rate (%) | 4.10% - 5.70% | 3.80% |
| Expected life of share options | 4 to 5 years | 4 to 5 years |
| Weighted average share price (Rs) | 19.24 | 1,852.00 |
| Model used | Black Scholes Option Pricing Model | |

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Delivery Employees Stock Option Plan - II, 2020

The Plan has been formulated and approved on January 25, 2021 by the Board of Directors ("Board") and approved on February 01, 2021 by the shareholders of Delivery Limited (the "Company"). The Plan came into force on February 01, 2021 and continue to be in force until - (i) its termination by the Board; or (ii) the date on which all of the Options available for issuance under the Plan have been Exercised.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

Movement during the year

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|----------------|----------|
| | No. of options | WAEP (₹) | No. of options | WAEP (₹) |
| Outstanding at the beginning of the year [#] | 7,740,200 | 0.10 | - | - |
| Granted during the year | - | - | 77,402 | 10.00 |
| Forfeited during the year | - | - | - | - |
| Cancelled during the year | - | - | - | - |
| Exercised during the year | - | - | - | - |
| Outstanding at the end of the year | 7,740,200 | 0.10 | 77,402 | 10.00 |
| Exercisable at the end of the year | 7,740,200 | 0.10 | 77,402 | 10.00 |

The Options granted under the plan shall vest as per the schedule determined by the Board / ESOP Committee. Vesting of options shall be subject to continued / uninterrupted employment with the Company and completion of a minimum period of 1 year from the date of the grant of the options and shall vest on the basis of the Company achieving the valuation thresholds (being the multiple of the share price of the Series F round of investment in the Company)

Any remaining unvested Options (that have not vested in accordance with above) shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option Agreement or grant letter between each eligible employee and the Company, unless determined otherwise by the Board / ESOP committee from time to time.

The following tables list the inputs to the models used for the plan for the year ended March 31, 2022 and March 31 2021:

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------------|------------------------|----------------|
| Expected volatility (%) | 45.1% - 48% | 45.1% - 48% |
| Risk-free interest rate (%) | 3.35% | 3.35% |
| Expected life of share options | 3.17 | 3.17 |
| Face value (₹) | 0.10 | 10.00 |
| Model used | Monte Carlo simulation | |

Delhivery Employees Stock Option Plan III, 2020

The Plan has been formulated and approved on January 25, 2021 by the Board of Directors ("Board") and approved on 01st February, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan came into force on February 01, 2021 and shall continue to be in force until - (i) its termination by the Board; or (ii) the date on which all of the Options available for issuance under the Plan have been Exercised.

The Options granted under the Plan shall vest as per the schedule determined by the Board / ESOP Committee. Vesting of Options shall be subject to continued / uninterrupted employment with the company and completion of a minimum period of 1 year from the date of the grant of the Options and shall vest at the discretion of the Board / ESOP Committee on the basis of the performance of the Company or any other transformative event as decided by the Board / ESOP Committee. Any remaining unvested Options that have not vested in accordance with this sub-clause shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option agreement or grant letter between each Eligible Employee and the Group, unless determined otherwise by the Board / ESOP Committee from time to time.

Movement during the year

| Particulars | March 31, 2022 | | March 31, 2021 | |
|---|----------------|----------|----------------|----------|
| | No. of options | WAEP (₹) | No. of options | WAEP (₹) |
| Outstanding at the beginning of the year [#] | 1,050,000 | 0.10 | - | - |
| Granted during the year | 7,770,500 | 0.10 | 10,500 | 10.00 |
| Forfeited during the year | - | - | - | - |
| Cancelled during the year | - | - | - | - |
| Exercised during the year | - | - | - | - |
| Outstanding at the end of the year | 8,820,500 | 0.10 | 10,500 | 10.00 |
| Exercisable at the end of the year | 8,820,500 | 0.10 | 10,500 | 10.00 |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234
(All amounts in Indian Rupees in millions, unless otherwise stated)

The following tables list the inputs to the models used for the plan for the year ended March 31, 2022 and March 31, 2021:

| Particulars | March 31, 2022 | March 31, 2021 |
|--------------------------------|------------------------|----------------|
| Expected volatility (%) | 45.1% - 48% | 45.1% - 48% |
| Risk-free interest rate (%) | 3.35% | 3.35% |
| Expected life of share options | 3.17 | 3.17 |
| Face value (₹) | 0.10 | 10.00 |
| Model used | Monte Carlo simulation | |

On December 14, 2021, the company changed the vesting for the employee share options granted in February 2021 under Scheme III from milestone based vesting to milestone & time based vesting. The fair value of the options at the date of the modification was determined to be ₹294.6 millions. The fair value on account of said modification has reduced by ₹470.1 millions and as per provisions of Ind AS 102, the company shall continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred. Accordingly, the expense for the original option grant will continue to be recognised as if the terms had not been modified. Further, the expense for time based vesting has been recognised as an expense over the period from the modification date to the end of the reduced vesting period. The fair value of the modified options was determined using the same models and principles as described above, with the following model inputs:

| Particulars | Unit | Value |
|---------------------------|----------|-------------------|
| Effective/ Valuation date | | December 14, 2021 |
| Common stock value | ₹/ share | 380 |
| Exercise price | ₹/ share | 0.10 |
| Volatility | % | 0.47 |
| Risk free rate | % | 0.0352 |

Delhivery Employees Stock Option Plan IV, 2021

The Plan has been formulated and approved on September 24, 2021 by the Board of Directors ("Board") and approved on September 29, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan shall be deemed to have come into force on September 29, 2021 and shall continue to be in force until -

- its termination by the Board; or
- the date on which all of the options available for issuance under the plan have been exercised. "

The options granted under the plan shall vest as per the schedule determined by the Board / ESOP Committee. Vesting of options shall be subject to continued / uninterrupted employment with the group and completion of a minimum period of 1 year from the date of the grant of the options and shall vest at the discretion of the Board / ESOP committee on the basis of the performance of the group or any other transformative event as decided by the Board / ESOP committee. Any remaining unvested options that have not vested in accordance with this sub-clause shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option agreement or grant letter between each eligible employee and the group, unless determined otherwise by the Board / ESOP committee from time to time.

Movement during the year

| Particulars | March 31, 2022 | | March 31, 2021 | |
|--|----------------|----------|----------------|----------|
| | No. of options | WAEP (₹) | No. of options | WAEP (₹) |
| Outstanding at the beginning of the year | - | - | - | - |
| Granted during the year | 7,600,000 | 1.00 | - | - |
| Forfeited during the year | - | - | - | - |
| Cancelled during the year | - | - | - | - |
| Exercised during the year | - | - | - | - |
| Outstanding at the end of the year | 7,600,000 | 1.00 | - | - |
| Exercisable at the end of the year | 7,600,000 | 1.00 | - | - |

During the year ended March 31, 2022, Company has granted 76,00,000 stock options convertible into Equity Shares out of which vesting of 25,00,000 stock options is time based and 51,00,000 is milestone based. Vesting of these options is dependent upon the listing of the company on recognized stock exchange therefore, ESOP expense pertaining to these options will recognized in books after listing of company.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Accordingly, when company got listed on May 24, 2022, vesting of these options has commenced for time based stock options.

During the year ended March 31, 2022, the Group has recognised expense of ₹3,084.21 millions (March 31, 2021: ₹723.12 millions)

On September 29, 2021, the company has sub divided equity shares having a face value of ₹10 each into 10 equity shares having a face value of ₹1 each. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulative Compulsorily Convertible Preference Shares (CCCPS) has been made to reflect the impact of such sub-division.

#On September 29, 2021, the company has sub divided equity shares having a face value of ₹10 each into 10 equity shares having a face value of ₹1 each. Also, the Company had allotted bonus equity shares in the ratio of 9:1 held by the existing shareholders.

40. Operating Segments

The Group's operating business are organised and managed separately according to the geographical location of the customers with each segment representing a strategic business unit that serves different markets. Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Group's CODM is the Chief Executive Officer.

The Group has identified geographical segments as reportable segments. The geographical segments comprise:

- 1) India
- 2) Rest of world (ROW)

The information based on geographical areas in relation to revenue and non-current operating assets are as follows:

(i) Revenue from operations

| Particulars | March 31, 2022 | March 31, 2021 |
|----------------------------|------------------|------------------|
| Within India | 68,750.69 | 36,543.78 |
| Outside India | 263.04 | 63.06 |
| | 69,013.73 | 36,606.84 |
| Adjustment and elimination | (190.87) | (141.57) |
| | 68,822.86 | 36,465.27 |

(ii) Non-current operating assets

| Particulars | March 31, 2022 | March 31, 2021 |
|----------------------------|------------------|------------------|
| Within India | 43,812.44 | 17,997.85 |
| Outside India | 100.50 | 21.91 |
| | 43,912.94 | 18,019.76 |
| Adjustment and elimination | (1,004.70) | (346.76) |
| | 42,908.24 | 17,673.00 |

Non-current operating assets primarily includes Property Plant Equipment, Intangible assets, Right-of-use assets, Investment and other non current assets.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

41. Interest in Associates

FALCON AUTOTECH Private Limited

The company has made 34.55% investment in FALCON AUTOTECH Private Limited (Company engaged in the autotech business) for a consideration of ₹2,518.94 millions vide share purchase agreement dated December 31, 2021.

The Group's interest in FALCON AUTOTECH Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the associates, based on its summary statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised balance sheet as at March 31, 2022:

| Particulars | March 31, 2022 | March 31, 2021 |
|---|-----------------|----------------|
| Current assets, including cash and cash equivalents (March 31, 2022: ₹33.17 millions) | 2,614.87 | - |
| Non-current assets | 426.60 | - |
| Non-current Liabilities | (369.42) | - |
| Current liabilities | (1,155.28) | - |
| Equity | 1,516.77 | - |
| Proportion of the Group's ownership | 34.55% | - |
| Group share in equity | 524.04 | - |
| Carrying amount of the investment | 2,486.67 | - |
| Summarised statement of profit and loss for the period ended March 31, 2022 (January 04, 2022 to March 31, 2022) | | |
| Revenue from contract with customers | 253.01 | - |
| Other income | 12.67 | - |
| Total income (I) | 265.68 | - |
| Cost of materials consumed | 77.76 | - |
| Change In inventories of finished goods, work-in process & stock in trade | 38.46 | - |
| Employee benefits expense | 61.84 | - |
| Finance costs | 9.25 | - |
| Depreciation and amortization expense | 18.32 | - |
| Other expenses | 134.09 | - |
| Total expenses (II) | 339.72 | - |
| Loss before tax (I-II) | (74.04) | - |
| Tax expense | | |
| Current Tax | (17.58) | - |
| Deferred Tax | (1.79) | - |
| Net loss after tax | (93.41) | - |
| Proportion of the Group's ownership | 34.55% | - |
| Group's share of profit for the period | (32.27) | - |

The Group had no contingent liabilities or capital commitments relating to its interest in FALCON AUTOTECH Private Limited as at March 31, 2022.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

Leucon Technology Private Limited

The Group has a 28.58% interest in Leucon Technology Private Limited, an associate involved in the business of data processing.

On November 19, 2021 Board has approved "Surrender of Rights Agreement" with Leucon Technology Private Limited and its promoters for surrender of control rights of the company in Leucon for a consideration of ₹22.50 millions and execution of share purchase agreement for transfer of 5 Equity shares of ₹10 each and 4,653 preference shares of ₹10 each of the Leucon held by the company for consideration of ₹3.10 millions.

The Group's interest in Leucon Technology Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information upto November 19, 2021, based on its summary statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised balance sheet as at March 31, 2022:

| Particulars | March 31, 2022 | March 31, 2021 |
|--|----------------|----------------|
| Current assets, including cash and cash equivalents Nil (March 31, 2021: ₹9.40 millions) | - | 35.30 |
| Non-current assets | - | 1.70 |
| Current liabilities | - | (12.80) |
| Equity | - | 24.20 |
| Proportion of the Group's ownership | - | 28.58% |
| Group share in equity | - | 6.92 |
| Summarised statement of profit and loss for the period April 01, 2021 to November 19, 2021) | | |
| Revenue from contract with customers | 80.60 | 55.90 |
| Other income | 0.30 | 6.20 |
| Total income (I) | 80.90 | 62.10 |
| Cost of materials consumed | 16.40 | 44.90 |
| Employee benefits expense | 10.70 | 20.50 |
| Finance costs | 22.60 | 0.30 |
| Other expenses | 2.40 | 3.40 |
| Total expenses (II) | 52.10 | 69.10 |
| Loss before tax (I-II) | 28.80 | (7.00) |
| Tax expense | | |
| Deferred Tax | 0.10 | (0.10) |
| Net loss after tax | 28.90 | (7.10) |
| Proportion of the Group's ownership | 0.29 | 28.58% |
| Group's share of profit for the period/year | 8.26 | (2.03) |

The Group had no contingent liabilities or capital commitments relating to its interest in Leucon Technology Private Limited as at March 31, 2021.

As at March 31, 2021, the carrying value of investment in the associate is nil, hence Group's share of loss not reported in consolidated financial statements.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

42. Additional Information pursuant to Schedule III of Companies Act, 2013

| Name of the entity in the Group | Net Assets, i.e., total assets minus total liabilities | | Share in loss | | Share in other Comprehensive (loss)/income | | Share in total Comprehensive loss | |
|--|--|-----------|--------------------------------------|------------|---|--------|------------------------------------|------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of total comprehensive income | Amount |
| Parent | | | | | | | | |
| Delhivery Limited (formerly known as Delhivery Private Limited) | | | | | | | | |
| Balance as at March 31, 2022 | 103.35% | 61,571.24 | 85.41% | (8,635.18) | 66.52% | 9.56 | 85.44% | (8,625.62) |
| Balance as at March 31, 2021 | 102.14% | 28,974.35 | 85.70% | (3,562.92) | 488.19% | 10.05 | 85.50% | (3,552.87) |
| Indian subsidiaries | | | | | | | | |
| Orion Supply Chain Private Limited | | | | | | | | |
| Balance as at March 31, 2022 | -0.41% | (244.34) | 1.50% | (151.21) | -2.61% | (0.37) | 1.50% | (151.58) |
| Balance as at March 31, 2021 | -0.60% | (170.87) | 3.96% | (164.52) | 0.00% | - | 3.96% | (164.52) |
| Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited) | | | | | | | | |
| Balance as at March 31, 2022 | -0.13% | (79.75) | -0.03% | 3.00 | 0.00% | - | -0.03% | 3.00 |
| Balance as at March 31, 2021 | -0.29% | (82.66) | 0.44% | (18.38) | 0.00% | - | 0.44% | (18.38) |
| Delhivery Freight Services Private Limited | | | | | | | | |
| Balance as at March 31, 2022 | -1.47% | (878.12) | 5.93% | (599.35) | 13.37% | 1.92 | 5.92% | (597.43) |
| Balance as at March 31, 2021 | -2.09% | (593.66) | 6.54% | (271.70) | 13.42% | 0.28 | 6.53% | (271.42) |
| Spoton Logistics Private Limited | | | | | | | | |
| Balance as at March 31, 2022 | 0.70% | 414.15 | -1.25% | 126.37 | 62.41% | 8.97 | -1.34% | 135.34 |
| Balance as at March 31, 2021 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Delhivery Robotics LLC | | | | | | | | |
| Balance as at March 31, 2022 | 0.06% | 35.99 | 0.32% | (32.34) | -1.83% | (0.26) | 0.32% | (32.60) |
| Balance as at March 31, 2021 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Foreign subsidiaries | | | | | | | | |
| Delhivery Corp Limited, United Kingdom | | | | | | | | |
| Balance as at March 31, 2022 | 0.02% | 9.77 | 0.12% | (12.49) | -32.91% | (4.73) | 0.17% | (17.22) |
| Balance as at March 31, 2021 | 0.00% | 0.99 | 5.85% | (243.25) | 0.00% | - | 5.85% | (243.25) |
| Delhivery USA LLC | | | | | | | | |
| Balance as at March 31, 2022 | 0.13% | 74.60 | 2.70% | (273.23) | -9.26% | (1.33) | 2.72% | (274.56) |
| Balance as at March 31, 2021 | -0.91% | (257.41) | 5.31% | (220.55) | 0.00% | - | 5.31% | (220.55) |
| Delhivery HK Pte Ltd. | | | | | | | | |
| Balance as at March 31, 2022 | 0.08% | 48.51 | -0.17% | 17.63 | 9.71% | 1.40 | -0.19% | 19.03 |
| Balance as at March 31, 2021 | 0.10% | 28.19 | 0.14% | (5.87) | 0.00% | - | 0.14% | (5.87) |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

| Name of the entity in the Group | Net Assets, i.e., total assets minus total liabilities | | Share in loss | | Share in other Comprehensive (loss)/income | | Share in total Comprehensive loss | |
|---|--|------------------|--------------------------------------|--------------------|--|--------------|------------------------------------|--------------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated comprehensive income | Amount | As % of total comprehensive income | Amount |
| Delhivery Singapore Pte. Ltd. | | | | | | | | |
| Balance as at March 31, 2022 | 0.26% | 152.35 | 0.00% | (0.13) | 35.20% | 5.06 | -0.05% | 4.93 |
| Balance as at March 31, 2021 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Associate (as per proportionate consolidation/ investment as per the equity method) | | | | | | | | |
| Leucon Technology Private Limited | | | | | | | | |
| Balance as at March 31, 2022 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Balance as at March 31, 2021 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| FALCON AUTOTECH Private Limited | | | | | | | | |
| Balance as at March 31, 2022 | 0.00% | - | 0.32% | (32.27) | 0.00% | - | 0.32% | (32.27) |
| Balance as at March 31, 2021 | 0.00% | - | 0.00% | - | 0.00% | - | 0.00% | - |
| Consolidation Adjustments | | | | | | | | |
| Balance as at March 31, 2022 | -2.57% | (1,530.71) | 5.15% | (520.79) | -40.60% | (5.83) | 5.22% | (526.62) |
| Balance as at March 31, 2021 | 1.65% | 469.05 | 1.16% | 329.77 | -0.03% | (8.26) | 1.13% | 321.50 |
| Total | | | | | | | | |
| Balance as at March 31, 2022 | 100.00% | 59,573.69 | 100.00% | (10,110.00) | 100.00% | 14.37 | 100.00% | (10,095.63) |
| Balance as at March 31, 2021 | 100.00% | 28,367.97 | 100.00% | (4,157.43) | 100.00% | 2.06 | 100.00% | (4,155.37) |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022
CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

43. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

| Particulars | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | 44.74 | 20.52 |
| Principal amount due to micro and small enterprises | 43.11 | 20.52 |
| Interest due on above | 1.63 | - |
| The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. | - | - |
| The amount of interest accrued and remaining unpaid at the end of each accounting year | 0.32 | - |
| The amount of further interest remaining due and payable even in the succeeding periods/years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | 1.31 | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

44. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

45. The Group has not earned net profit in three immediately preceding financial years, therefore, there was no amount as per section 135 of the Act which was required to be spent on CSR activities in each of the respective financial years by the Group.

46. The consolidated statements of the Group includes subsidiaries and associates listed in the table below:

| S. No. | Name of the Company | Relationship with Group | Principal activities | Country of incorporation | % of equity interest | |
|--------|--|-------------------------|----------------------|--------------------------|----------------------|----------------------|
| | | | | | As at March 31, 2022 | As at March 31, 2021 |
| 1 | Orion Supply Chain Private Limited | Subsidiary | Freight services | India | 100.00% | 100.00% |
| 2 | Delhivery Cross - Border Services Private Limited (formerly known as Skynet Logistics Private Limited) | Subsidiary | Freight services | India | 100.00% | 100.00% |
| 3 | Delhivery Corp Limited, United Kingdom | Subsidiary | Freight services | United Kingdom | 100.00% | 100.00% |
| 4 | Delhivery USA LLC | Subsidiary | Freight services | United States of America | 100.00% | 100.00% |
| 5 | Delhivery HK Pte Ltd. | Subsidiary | Freight services | Hong Kong | 100.00% | 100.00% |
| 6 | Delhivery Freight Services Private Limited (w.e.f April 21, 2020) | Subsidiary | Freight services | India | 100.00% | 100.00% |
| 7 | Spoton Logistics Private Limited (w.e.f August 24, 2021) | Subsidiary | Freight services | India | 100.00% | NA |
| 8 | Delhivery Singapore Pte Ltd (w.e.f August 02, 2021) | Subsidiary | Freight services | Singapore | 100.00% | NA |
| 9 | Leucon Technologies Private Limited (Associate) (till November 19, 2021) | Associate | Data Processing | India | NA | 28.58% |
| 10 | FALCON AUTOTECH Private Limited (w.e.f January 04, 2022) | Associate | Autotech | India | 34.55% | NA |

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

47. Other Statutory Information

The company did not have any material transactions with companies struck off under sec 248 of the companies Act 2013 or section 560 of companies act, 1956 during the financial year except as mentioned below:

| Name of the struck off Company | Nature of transactions with struck off company | Balance outstanding as on March 31, 2022 | Balance outstanding as on March 31, 2021 | Relationship with the struck off company |
|---|--|--|--|--|
| An Impex Pvt Ltd | Receivables | 19.42 | 23.13 | Customer |
| Jollychic India Private Limited | Receivables | 1.04 | 1.04 | Customer |
| Flatworld Trading Pvt.Ltd. | Receivables | 0.87 | 0.87 | Customer |
| Abacus Trading Pvt Ltd | Receivables | 0.58 | 0.58 | Customer |
| Justlikeneew Technologies Private Ltd. | Receivables | 0.30 | 0.30 | Customer |
| Istage Entertainment Private Limited | Receivables | 0.23 | 0.23 | Customer |
| Tabasco Fashion Tech Pvt Ltd | Receivables | 0.18 | 0.18 | Customer |
| Konark Courier And Cargo (P). Limited | Receivables | 0.16 | 0.16 | Customer |
| Send My Gift Pvt Ltd | Receivables | 0.15 | 0.15 | Customer |
| E-Vahan Express Pvt Ltd | Receivables | 0.15 | 0.15 | Customer |
| Total Trading International Private Limited | Receivables | 0.10 | 0.10 | Customer |

48. Disclosure under Rule 11(e) of Companies (Audit & Auditors) Rules 2014:

Following are the details of the funds advanced by the Group to Intermediaries for further advancing to the ultimate beneficiaries:

| Name of the intermediary to which the funds are advanced | Date of Funds advanced | Amount of funds advanced | Date on which funds are further advanced invested by Intermediaries to other intermediaries or ultimate beneficiaries | Amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or ultimate beneficiaries | Ultimate Beneficiary |
|--|------------------------|--------------------------|---|--|------------------------|
| Delhivery Singapore Pte. Ltd. | September 21, 2021 | 37.18 | December 13, 2021 | 37.18 | Delhivery Robotics LLC |

- The Group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

- Complete details of the intermediary and ultimate beneficiary:

| Name of the entity | Registered Address | Government Identification Number (PAN) | Relationship with the Company |
|---|--|--|-------------------------------|
| Delhivery Singapore Pte. Ltd. (Intermediary) | 8, Cross Street, #24-03/04, Manulife Tower, Singapore 048424 | Not Applicable (foreign entity) | Subsidiary |
| Delhivery Robotics LLC (Ultimate Beneficiary) | 16192, Coastal Highway, Lewes, Delaware 19558, Country of Sussex | Not Applicable (foreign entity) | Step down Subsidiary |

- Further except to the transaction mentioned above:

- (a) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
 - provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries."
- (b) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2022

CIN: U63090DL2011PLC221234

(All amounts in Indian Rupees in millions, unless otherwise stated)

49. Subsequent Events:

Subsequent to the year ended March 31, 2022, the Company has completed its Initial Public Offer (IPO) of 10,74,97,225 equity shares of face value of ₹1 each at an issue price of ₹487 per share (including a share premium of ₹486 per share). A discount of ₹25 per share was offered to eligible employees bidding in the employee's reservation portion of 46,020 equity shares. The issue comprised of a fresh issue of 8,21,37,328 equity shares aggregating to ₹40,000.00 millions and offer for sale of 2,53,59,897 equity shares by selling shareholders aggregating to ₹12,350.00 millions. Pursuant to the IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on May 24, 2022.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner

Membership no: 094941

Place: New Delhi
Date: May 30, 2022

**For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)**

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer
DIN: 01432123
Place: Gurugram

Amit Agarwal
Chief Financial Officer

Place: Gurugram
Date: May 30, 2022

Sahil Barua
Managing Director and
Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Gurugram
Date: May 30, 2022

DELHIVERY

Delhivery Limited

(formerly known as Delhivery Private Limited")

CIN: L63090DL2011PLC221234

Registered Office:

N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi-110037

Corporate Office:

Plot No. 5, Sector -44, Gurugram, Haryana-122022

Website: www.delhivery.com

Contact No: +91 124 6225602

Email: corporateaffairs@delhivery.com