

# DELHIVERY

## DELHIVERY LIMITED

Our Company was incorporated as "SSN Logistics Private Limited", a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi ("RoC") on June 22, 2011. Subsequently, the name of our Company was changed to "Delhivery Private Limited", pursuant to a fresh certificate of incorporation issued by the RoC on December 8, 2015. On the conversion of our Company to a public limited company, pursuant to a resolution passed by our Shareholders on September 29, 2021, the name of our Company was changed to "Delhivery Limited" and a fresh certificate of incorporation dated October 12, 2021 was issued by the RoC. For details of the change in registered office of our Company, see "History and Certain Corporate Matters" on page 190.

Corporate Identity Number: U63090DL2011PLC221234

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 Person: Sunil Kumar Bansal, Company Secretary and Compliance Officer; Tel: +91 124 6225602

E-mail: [escompliance@delhivery.com](mailto:escompliance@delhivery.com); Website: [www.delhivery.com](http://www.delhivery.com)

### OUR COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND DOES NOT HAVE AN IDENTIFIABLE PROMOTER

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹1 EACH ("EQUITY SHARES") OF DELHIVERY LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹74,600 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹50,000 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹24,600 MILLION (THE "OFFER FOR SALE"), COMPRISING AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹4,000 MILLION BY DELI CMF PTE. LTD.\*, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹9,200 MILLION BY CA SWIFT INVESTMENTS\*, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹7,500 MILLION BY SVF DOORBELL (CAYMAN) LTD.\*, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹3,300 MILLION BY TIMES INTERNET LIMITED (COLLECTIVELY, THE "INVESTOR SELLING SHAREHOLDERS"), UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹140 MILLION BY KAPIL BHARATI, UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹400 MILLION BY MOHIT TANDON AND UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹60 MILLION BY SURAJ SAHARAN (COLLECTIVELY, THE "INDIVIDUAL SELLING SHAREHOLDERS") (THE INVESTOR SELLING SHAREHOLDERS AND THE INDIVIDUAL SELLING SHAREHOLDERS, COLLECTIVELY, THE "SELLING SHAREHOLDERS", AND SUCH EQUITY SHARES OFFERED BY THE SELLING SHAREHOLDERS, THE "OFFERED SHARES"). THIS OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION (CONSTITUTING UP TO [●] PERCENT OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] PERCENT AND [●] PERCENT, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

\*As on the date of this Draft Red Herring Prospectus, (i) CA Swift Investments holds 302,487 Series E Preference Shares and 158,831 Series F Preference Shares, which will be converted into an aggregate of 46,131,800 Equity Shares, (ii) Deli CMF Pte. Ltd. holds 41,424 Series E Preference Shares and 27,366 Series F Preference Shares, which will be converted into an aggregate of 6,879,000 Equity Shares, and (iii) SVF Doorbell (Cayman) Ltd holds 164,862 Series D Preference Shares, 1,987 Series E Preference Shares and 1,235,331 Series F Preference Shares, which will be converted into an aggregate of 140,218,000 Equity Shares, and the conversion into Equity Shares as mentioned in each of (i), (ii) and (iii) shall be undertaken prior to filing of the Red Herring Prospectus with the RoC.

THE PRICE BAND SHALL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMS AND THE MINIMUM BID LOT SHALL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, HINDI BEING THE REGIONAL LANGUAGE OF NEW DELHI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES" FOR THE PURPOSES OF UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after revision of the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by an intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 31 of the SEBI ICDR Regulations. This Offer is being made through the Book Building Process and in compliance with Regulation 6(2) of the SEBI ICDR Regulations, wherein at least 75% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "Anchor Investor Portion"), out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. If at least 75% of the Net Offer cannot be Allotted to QIBs, then the entire application money will be refunded forthwith. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to Retail Individual Bidders ("RIBs") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders, other than Anchor Investors, are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts (including UPI ID (defined hereinafter) in case of RIBs) in which the Bid Amount will be blocked by the SCBS, to participate in the Offer. Anchor Investors are not permitted to participate in the Offer through the ASBA process. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. For details, see "Offer Procedure" on page 525.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹1 each. The Floor Price and Cap Price determined by our Company and the Selling Shareholders, in consultation with the BRLMs and Offer Price determined by our Company, in consultation with the BRLMs, and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "Basis for Offer Price" on page 129 should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 29.

### ISSUER'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accepts responsibility for and confirms the statements specifically made by such Selling Shareholder in this Draft Red Herring Prospectus to the extent of information specifically pertaining to itself and the respective portion of its Offered Shares in the Offer for Sale and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect. However, no Selling Shareholder assumes any responsibility for any other statements, including without limitation, any and all statements made by or relating to our Company or any other Selling Shareholders or any other person(s) in this Draft Red Herring Prospectus.

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, [●] is the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and material documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 556.

### BOOK RUNNING LEAD MANAGERS

### REGISTRAR TO THE OFFER

				
<b>Kotak Mahindra Capital Company Limited</b> 1 <sup>st</sup> Floor, 27 BKC, Plot No. C - 27 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 Maharashtra, India Tel: +91 22 4336 0000 E-mail: <a href="mailto:delhivery.ip@kotak.com">delhivery.ip@kotak.com</a> Website: <a href="http://www.investmentbank.kotak.com">www.investmentbank.kotak.com</a> Investor Grievance E-mail: <a href="mailto:kmccredressal@kotak.com">kmccredressal@kotak.com</a> Contact Person: Ganesha Rane SEBI Registration No.: INM000008704	<b>Morgan Stanley India Company Private Limited</b> 18 <sup>th</sup> Floor, Tower 2, One World Centre Plot 841, Jupiter Textile Mill Compound Senapati Bapat Marg, Lower Parel Mumbai 400013 Maharashtra, India Tel: +91 22 6118 1000 E-mail: <a href="mailto:delhivery_ipo@morganstanley.com">delhivery_ipo@morganstanley.com</a> Website: <a href="http://www.morganstanley.com">www.morganstanley.com</a> Investor Grievance E-mail: <a href="mailto:investors_india@morganstanley.com">investors_india@morganstanley.com</a> Contact Person: Malavika Nambiar SEBI Registration No.: INM000011203	<b>BofA Securities India Limited</b> Ground Floor, "A" Wing, One BKC "G" Block Bandra Kurla Complex Bandra (East), Mumbai 400051 Maharashtra, India Tel: +91 22 6632 8000 E-mail: <a href="mailto:dg.delhivery_ipo@bofa.com">dg.delhivery_ipo@bofa.com</a> Website: <a href="http://www.ml-india.com">www.ml-india.com</a> Investor Grievance E-mail: <a href="mailto:dg.india_merchantbanking@bofa.com">dg.india_merchantbanking@bofa.com</a> Contact Person: Sweta Birdika SEBI Registration No.: INM000011625	<b>Citigroup Global Markets India Private Limited</b> 1202, 12 <sup>th</sup> Floor, First International Financial Centre, G-Block, C54 & 55, Bandra Kurla Complex, Bandra (East), Mumbai 400098 Maharashtra, India Tel: +91 22 6175 9999 E-mail: <a href="mailto:delhivery.ip@citigroup.com">delhivery.ip@citigroup.com</a> Website: <a href="http://www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm">www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm</a> Investor Grievance E-mail: <a href="mailto:investors.cgmb@citigroup.com">investors.cgmb@citigroup.com</a> Contact Person: Keshav Tawari SEBI Registration No.: INM000010718	<b>Link Intime India Private Limited</b> C 101, 247 Park, L.B.S. Marg Vikhroli (West) Mumbai 400083 Maharashtra, India Tel: +91 22 4918 6200 E-mail: <a href="mailto:delhivery.ip@linkintime.co.in">delhivery.ip@linkintime.co.in</a> Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Investor grievance E-mail: <a href="mailto:delhivery.ip@linkintime.co.in">delhivery.ip@linkintime.co.in</a> Contact Person: Shanti Gopalkrishnan SEBI Registration No.: INR000004058

### BID/OFFER PROGRAMME

BID/OFFER OPENS ON*	[●]
BID/OFFER CLOSES ON**	[●]

\* Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date.

\*\* Our Company, in consultation with the BRLMs, may consider closing the Bid/ Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislations, acts, regulations, rules, guidelines or policies shall be to such legislations, acts, regulations, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation framed from time to time under that provision.*

*Unless the context otherwise indicates, all references to “the Company”, and “our Company”, are references to Delhivery Limited, a public limited company incorporated in India under the Companies Act 1956 with its registered office at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, Indira Gandhi International Airport, New Delhi 110037 Delhi, India and corporate office at Plot 5, Sector 44, Gurugram 122002 Haryana, India. Furthermore, unless the context otherwise indicates, all references to the terms “we”, “us” and “our” are to our Company and our Subsidiaries (as defined below) on a consolidated basis.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations framed thereunder. Notwithstanding the foregoing, the terms used in “Industry Overview”, “Key Industry Regulations and Policies”, “Statement of Special Tax Benefits”, “Restated Financial Statements”, “Proforma Financial Statements”, “Outstanding Litigation and Material Developments”, “Offer Procedure” and “Main Provisions of Articles of Association” on pages 143, 186, 132, 220, 297, 485, 525 and 546, respectively, shall have the meaning ascribed to them in the relevant section.*

#### Company Related Terms

Term	Description
Amendment Agreement	Amendment Agreement dated October 26, 2021, to the Shareholders’ Agreement dated August 9, 2021, entered into by and amongst our Company, SVF Doorbell (Cayman) Ltd, CA Swift Investments, Internet Fund III Pte. Ltd., Nexus Ventures III, Ltd., Nexus Opportunity Fund Ltd., Times Internet Limited, Canada Pension Plan Investment Board, FedEx Express Transportation and Supply Chain Services (India) Private Limited, Sahil Barua, Suraj Saharan, Kapil Bharati, Bhavesh Kishor Manglani, Mohit Tandon, Abhishek Goyal, Ajith Pai Mangalore, Dinesh Advani, Sandeep Kumar Barasia, Sushant Kashyap and Vikas Kapoor
AoA / Articles of Association / Articles	The articles of association of our Company, as amended
Associate	Leucon Technology Private Limited, which is not consolidated by us as at and for the three months period ended June 30, 2021 and as at and for the fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019
Audit Committee	The audit committee of our Board, as described in “ <b>Our Management</b> ” on page 201
Board / Board of Directors	The board of directors of our Company, or a duly constituted committee thereof
Chairman	Chairman of the board of directors of our Company
Chief Business Officer	Sandeep Kumar Barasia, the chief business officer of our Company
Chief Executive Officer/ CEO	Sahil Barua, the chief executive officer of our Company
Chief Financial Officer/ CFO	Amit Agarwal, the chief financial officer of our Company
Chief Technology Officer	Kapil Bharati, the chief technology officer of our Company
Company Secretary and Compliance Officer	Sunil Kumar Bansal, the company secretary and compliance officer of our Company
Corporate Office	The corporate office of our Company situated at Plot 5, Sector 44, Gurugram 122002 Haryana, India
CSR Committee	The corporate social responsibility committee of our Board, as described in “ <b>Our Management</b> ” on page 201
Director(s)	The director(s) on our Board of Directors
ESOP I – 2012	Delhivery Employees Stock Option Plan, 2012
ESOP II – 2020	Delhivery Employees Stock Option Plan - II, 2020
ESOP III – 2020	Delhivery Employees Stock Option Plan - III, 2020
ESOP IV – 2021	Delhivery Employees Stock Option Plan - IV, 2021
ESOP Schemes	ESOP I – 2012, ESOP II – 2020, ESOP III – 2020 and ESOP IV – 2021, collectively
Equity Shares	The equity shares of our Company bearing face value of ₹1 each
Executive Director	An executive director of our Company



<b>Term</b>	<b>Description</b>
FedEx Group	FedEx Express Transportation and Supply Chain Services (India) Private Limited Our Company and its Subsidiaries
Group Company	Leucon Technology Private Limited, our group company identified in accordance with SEBI ICDR Regulations, whereunder the term 'group company' includes companies (other than our Subsidiaries) with which there were related party transactions in accordance with Ind AS 24 as disclosed in the Restated Financial Statements as covered under the applicable accounting standards and any other companies as considered material by our Board, in accordance with our Materiality Policy, and as identified in " <b>Group Company</b> " on page 218
Independent Directors	Non-executive independent directors of our Company
IPO Committee	The IPO committee of our Board constituted to facilitate the process of the Offer
Key Managerial Personnel/KMP	Key managerial personnel of our Company identified in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, and as disclosed in " <b>Our Management</b> " on page 201
Managing Director	Sahil Barua, the managing director of our Company
Material Subsidiary	Spoton Logistics Private Limited
Materiality Policy	The policy adopted by our Board in its meeting dated October 13, 2021 for identification of group companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations
MoA/Memorandum of Association	The memorandum of association of our Company, as amended
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, as described in " <b>Our Management</b> " on page 201
Non-executive Directors	Non-executive directors of our Company
Nominee Directors	Non-executive nominee directors of our Company
Preference Shares	Collectively, Series A Preference Shares, Series B Preference Shares, Series C Preference Shares, Series D Preference Shares, Series D1 Preference Shares, Series E Preference Shares, Series F Preference Shares, Series G Preference Shares, Series H Preference Shares and Series I Preference Shares
Proforma Financial Statements	Unaudited pro-forma combined consolidated balance sheet as at March 31, 2021 and June 30, 2021 and the unaudited proforma consolidated combined statement of profit and loss for the year ended March 31, 2021 and the three months ended June 30, 2021, read with the notes to the unaudited consolidated combined proforma financial information. The unaudited pro-forma consolidated combined balance sheet has been compiled by our Company to illustrate the impact of the acquisition of Spoton Logistics Private Limited made after date of latest consolidated financial statements of our company <i>i.e.</i> , June 30, 2021 on our historical restated financial statements as of March 31, 2021 as if the acquisition happened on March 31, 2021, and as of June 30, 2021 as if the acquisition happened on June 30, 2021 and to illustrate the impact of the acquisition on our financial position and combine our consolidated statement of profit and loss for the year ended March 31, 2021 and for the three months ended June 30, 2021, and Special Purpose Consolidated Financial Statements of Spoton Logistics Private Limited for the year ended March 31, 2021 and for the three months ended June 30, 2021, as if the acquisition occurred on April 1, 2020 and April 1, 2021, respectively.
RedSeer	RedSeer Management Consulting Private Limited, appointed by our Company pursuant to engagement letter dated June 8, 2021
RedSeer Report	Report titled " <i>Logistics Market in India</i> " dated October 29, 2021 prepared by RedSeer, commissioned and paid for by our Company and prepared exclusively in connection with the Offer
Registered Office	The registered office of our company situated at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, Indira Gandhi International Airport, New Delhi 110037 Delhi, India
Registrar of Companies / RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana, at New Delhi, India. For further information, see " <b>General Information</b> " on page 77
Restated Consolidated Summary Statements/ Restated Financial Statements	Our restated consolidated summary statements of assets and liabilities as at June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 and the restated consolidated summary statements of profits and losses (including other comprehensive income), restated consolidated summary statement of changes in equity and the restated consolidated summary statement of cash flows, the summary statement of significant accounting policies and other explanatory information for the three months ended June 30, 2021 and for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019, of our Company and its Subsidiaries, each derived from our audited interim consolidated Ind AS financial statements as at three months ended June 30, 2021 as prepared in accordance with Ind AS 34 and audited consolidated Ind AS financial statements for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019, each prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations, as amended from time to time, the Companies Act and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI

<b>Term</b>	<b>Description</b>
Risk Management Committee	The risk management committee of our Board, as described in “ <i>Our Management</i> ” on page 201
Series A Preference Shares	Series A participating cumulative CCPS, having a face value of ₹10 each
Series B Preference Shares	Series B participating cumulative CCPS, having a face value of ₹100 each
Series C Preference Shares	Series C participating cumulative CCPS, having a face value of ₹100 each
Series D Preference Shares	Series D participating cumulative CCPS, having a face value of ₹100 each
Series D1 Preference Shares	Series D1 participating cumulative CCPS, having a face value of ₹100 each
Series E Preference Shares	Series E participating cumulative CCPS, having a face value of ₹100 each
Series F Preference Shares	Series F participating cumulative CCPS, having a face value of ₹100 each
Series G Preference Shares	Series G participating cumulative CCPS, having a face value of ₹100 each
Series H Preference Shares	Series H participating cumulative CCPS, having a face value of ₹100 each
Series I Preference Shares	Series I participating cumulative CCPS, having a face value of ₹100 each
Shareholders	The holders of the Equity Shares from time to time
Shareholders’ Agreement/ SHA	Amended and Restated Shareholders’ Agreement dated August 9, 2021 executed among our Company, SVF Doorbell (Cayman) Ltd, CA Swift Investments, Internet Fund III Pte. Ltd., Nexus Ventures III, Ltd., Nexus Opportunity Fund Ltd., Times Internet Limited, Canada Pension Plan Investment Board, FedEx Express Transportation and Supply Chain Services (India) Private Limited, Sahil Barua, Suraj Saharan, Kapil Bharati, Bhavesh Kishor Manglani, Mohit Tandon, Abhishek Goyal, Ajith Pai Mangalore, Dinesh Advani, Sandeep Kumar Barasia, Sushant Kashyap and Vikas Kapoor, as amended by the Amendment Agreement
Special Purpose Consolidated Financial Statements	Special purpose consolidated balance sheet as at March 31, 2021 and June 30, 2021, special purpose consolidated statement of profit and loss (including other comprehensive income), special purpose consolidated statement of changes in equity and the special purpose consolidated statement of cash flows for the year ended March 31, 2021 and the three months period ended June 30, 2021, and notes to the special purpose consolidated financial statements, including a summary of the significant accounting policies and other explanatory information of Spoton Logistics Private Limited and its subsidiary
Spoton	Spoton Logistics Private Limited
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board, as described in “ <i>Our Management</i> ” on page 201
Statutory Auditors	The current statutory auditors of our Company, being S.R. Batliboi & Associates LLP
Subsidiaries	The subsidiaries of our Company are (i) Delhivery Freight Services Private Limited, (ii) Orion Supply Chain Private Limited, (iii) Delhivery Cross Border Services Private Limited, (iv) Spoton Logistics Private Limited, (v) Spoton Supply Chain Solutions Private Limited, (vi) Delhivery Corp Limited, (vii) Delhivery HK Pte Limited, (viii) Delhivery USA, (ix) Delhivery Robotics LLC, and (x) Delhivery Singapore Pte. Ltd., as disclosed in “ <i>History and Certain Corporate Matters - Our Subsidiaries</i> ” on page 196. For the purpose of financial information and Restated Financial Statements included in this Draft Red Herring Prospectus, the term ‘Subsidiaries’ would mean subsidiaries of our Company as at and during the relevant fiscal/ period.
Waiver Letter	Waiver Letter dated October 26, 2021 executed among our Company, SVF Doorbell (Cayman) Ltd, CA Swift Investments, Internet Fund III Pte. Ltd., Nexus Ventures III, Ltd., Nexus Opportunity Fund Ltd., Times Internet Limited, Canada Pension Plan Investment Board, FedEx Express Transportation and Supply Chain Services (India) Private Limited, Sahil Barua, Suraj Saharan, Kapil Bharati, Bhavesh Kishor Manglani, Mohit Tandon, Abhishek Goyal, Ajith Pai Mangalore, Dinesh Advani, Sandeep Kumar Barasia, Sushant Kashyap and Vikas Kapoor
Whole-Time Director	Executive directors of our Company
Wilful Defaulter(s)	Wilful defaulter(s) as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

#### **Offer Related Terms**

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by the relevant Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot or Allotment or Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the respective portion of the Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹100 million

<b>Term</b>	<b>Description</b>
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Board or the IPO Committee, as applicable, in consultation with the BRLMs during the Anchor Investor Bid/Offer Period
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed
Anchor Investor Offer Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Board or the IPO Committee, as applicable, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account and will include applications made by RIBs using the UPI Mechanism where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by RIBs using the UPI Mechanism
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of an RIB which is blocked upon acceptance of a UPI Mandate Request made by the RIBs using the UPI Mechanism
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form(s)	An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Sponsor Bank(s) and the Refund Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer as described in “ <i>Offer Procedure</i> ” on page 525
Bid	An indication to make an offer during the Bid/ Offer Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bids. However, Eligible Employees applying in the Employee Reservation Portion can apply at the Cut-off Price
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper Hindi being the regional language of New Delhi, where our Registered Office is located, each with wide circulation. Our Board or the IPO Committee, as applicable, in consultation with the BRLMs may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Offer Closing Date shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper

<b>Term</b>	<b>Description</b>
	Hindi being the regional language of New Delhi, where our Registered Office is located, each with wide circulation
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
BofA Securities	BofA Securities India Limited
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers or BRLMs	Collectively, Kotak, Morgan Stanley, BofA Securities and Citi
Broker Centres	The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
CAN or Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on or after the Anchor Investor Bid/ Offer Period
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Citi	Citigroup Global Markets India Private Limited
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids from relevant Bidders at the Designated CDP Locations in terms of the SEBI circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the websites of BSE and NSE, as updated from time to time
Cut-off Price	The Offer Price, finalised by our Board or the IPO Committee, as applicable, in consultation with the BRLMs, which shall be any price within the Price Band.  Only RIBs and Eligible Employees Bidding under the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms.  The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> ), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of RIBs using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account, in terms of the Red Herring Prospectus and the Prospectus following which Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by RIBs (not using the UPI Mechanism) by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated

Term	Description
	Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs.
	In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, sub-Syndicate/ agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated November 1, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, and filed with SEBI, including any addenda or corrigenda thereto
Eligible Employees	<p>All or any of the following: (a) a permanent employee of our Company and/or of our Subsidiaries, as may be determined (excluding such employees who are not eligible to invest in the Offer under applicable laws) as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent employee of our Company and/ or its Subsidiaries, until the submission of the Bid cum Application Form; and (b) a Director of our Company, whether whole time or not, who is eligible to apply under the Employee Reservation Portion under applicable law as on the date of filing of the Red Herring Prospectus with the RoC and who continues to be a Director of our Company, until the submission of the Bid cum Application Form, but not including Directors who either themselves or through their relatives or through any body corporate, directly or indirectly, hold more than 10% of the outstanding Equity Shares of our Company.</p> <p>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹500,000. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Only in the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000</p>
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Employee Reservation Portion	The portion of the Offer being up to [●] Equity Shares, aggregating up to ₹[●] available for allocation to Eligible Employees, on a proportionate basis. Such portion shall not exceed 5% of the post-Offer Equity Share capital of our Company
Escrow Account(s)	The account(s) to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow and Sponsor Bank Agreement	Agreement to be entered amongst our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, the Bankers to the Offer and Registrar to the Offer, <i>inter alia</i> , for collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, remitting refunds of the amounts collected from Anchor Investors, on the terms and conditions thereof
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account(s) will be opened, in this case being [●]
First Bidder or Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	Fresh issue of [●] Equity Shares aggregating up to ₹50,000 million by our Company
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17,

Term	Description
	2020 and the UPI Circulars, as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Individual Selling Shareholders	Collectively, Kapil Bharati, Mohit Tandon and Suraj Saharan
Investor Selling Shareholders	Collectively, CA Swift Investments, Deli CMF Pte. Ltd., SVF Doorbell (Cayman) Ltd and Times Internet Limited
Kotak	Kotak Mahindra Capital Company Limited
Monitoring Agency	[●]
Monitoring Agency Agreement	Agreement to be entered between our Company and the Monitoring Agency
Morgan Stanley	Morgan Stanley India Company Private Limited
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Offer	The Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see " <i>Objects of the Offer</i> " on page 120
Net QIB Portion	The QIB Portion less the number of Equity Shares Allocated to the Anchor Investors
Non-Institutional Bidders or Non-Institutional Investors	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not more than 15% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	Person resident outside India, as defined under FEMA and includes a non-resident Indian, FVCIs and FPIs
Offer	The initial public offer of Equity Shares comprising the Fresh Issue and the Offer for Sale aggregating up to ₹74,600 million
Offer Agreement	Agreement dated November 1, 2021 entered amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements have been agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to [●] Offered Shares aggregating up to ₹24,600 million by the Selling Shareholders in the Offer
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company, in consultation with the BRLMs, in terms of the Red Herring Prospectus and the Prospectus.  The Offer Price will be decided by our Company, on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see " <i>Objects of the Offer</i> " on page 120
Offered Shares	Up to [●] Equity Shares offered as part of the Offer for Sale, comprising an offer for sale of up to [●] Equity Shares aggregating up to ₹4,000 million by Deli CMF Pte. Ltd., up to [●] Equity Shares aggregating up to ₹9,200 million by CA Swift Investments, up to [●] Equity Shares aggregating up to ₹7,500 million by SVF Doorbell (Cayman) Ltd, up to [●] Equity Shares aggregating up to ₹3,300 million by Times Internet Limited, up to [●] Equity Shares aggregating up to ₹140 million by Kapil Bharati, up to [●] Equity Shares aggregating up to ₹400 million by Mohit Tandon and up to [●] Equity Shares aggregating up to ₹60 million by Suraj Saharan
Price Band	The price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including any revisions thereof.  The Price Band for the Offer will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and the minimum Bid Lot size for the Offer will be decided by our Company, in consultation with the BRLMs and will be advertised, at least two Working Days prior to the Bid/Offer Opening Date, in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper Hindi being the regional language of New Delhi, where our Registered Office is located, each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Board or the IPO Committee, as applicable, in consultation with the BRLMs, will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, <i>inter</i>

Term	Description
	<i>alia</i> , the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	Bank account opened with the Public Offer Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank	The bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI (Bankers to an Issue), Regulations, 1994 and with which the Public Offer Account has been opened, in this case being [●]
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not less than 75% of the Net Offer comprising [●] Equity Shares which shall be allocated to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs) subject to valid Bids being received at or above the Offer Price or Anchor Investor Offer Price (for Anchor Investors)
Qualified Institutional Buyers or QIBs or QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus or RHP	The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account (s)	Account(s) to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI (Bankers to an Issue) Regulations, 1994 and with whom the Refund Account will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI and the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of the SEBI circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	Agreement dated October 23, 2021 entered by and amongst our Company, the Selling Shareholders and the Registrar to the Offer, in relation to the responsibilities and obligations of the Registrar pertaining to the Offer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids from relevant Bidders at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
Registrar to the Offer or Registrar	Link Intime India Private Limited
Retail Individual Bidder(s) or RIB(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	Portion of the Offer being not more than 10% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Offer Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable.
	QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/Offer Closing Date
Self Certified Syndicate Bank(s) or SCSB(s)	The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RIB using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.
	In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI

Term	Description
	( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> as updated from time to time.
	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
Selling Shareholders	Collectively, the Investor Selling Shareholders and the Individual Selling Shareholders
Share Escrow Agent	The share escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	Agreement to be entered into amongst our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept Bid cum Application Forms
Sponsor Bank	[●], being a Banker to the Offer, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
Syndicate or Members of the Syndicate	Collectively, the BRLMs and the Syndicate Members
Syndicate Agreement	Agreement to be entered amongst our Company, the Selling Shareholders, the BRLMs, the Registrar and the Syndicate Members, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries registered with SEBI, namely, [●]
Underwriters	[●]
Underwriting Agreement	Agreement to be entered amongst our Company, the Selling Shareholders, the Underwriters and the Registrar to be entered into on or after the Pricing Date but prior to filing of the Prospectus with the RoC
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Circulars	Circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI, as amended by its Circular number SEBI/HO/CED/DIL/CIR/2016/26 dated January 21, 2016 and Circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 issued by SEBI as amended or modified by SEBI from time to time, including Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, Circular number SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, Circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment
UPI Mechanism	The bidding mechanism that may be used by RIBs in accordance with the UPI Circulars to make an ASBA Bid in the Offer
UPI PIN	Password to authenticate UPI transaction
Working Day(s)	All days on which commercial banks in Mumbai, India are open for business, provided however, for the purpose of announcement of the Price Band and the Bid/Offer Period, Working Day shall mean all days, excluding all Saturdays, Sundays and public holidays on which commercial banks in Mumbai, India are open for business and the time period between the Bid/Offer Closing Date and listing of the Equity Shares on the Stock Exchanges, Working Days shall mean all trading days excluding Sundays and bank holidays in India, as per the circulars issued by SEBI



## Industry Related Terms or Abbreviations

Term	Description
3PL	Third party logistics
Active Customers	Active Customers for a quarter are those customers on whom an invoice was raised at least once during such quarter. Active Customers for a Fiscal are calculated as the average number of Active Customers for each of the four quarters in the Fiscal
AI/ Artificial Intelligence	Science of leveraging computers and machines to mimic the problem-solving and decision-making capabilities of humans
API	Application programming interface, an interface for exchange of information between two computer applications or services
B2C	Business to consumer
B2B	Business to business
BFSI	Banking, financial services and insurance
C2C	Consumer to consumer
CoreOS	Core operating system
D2C	Direct to consumer
D2R	Direct to retail
Data Intelligence	The use of artificial intelligence and machine learning tools to analyse and transform large datasets into intelligent data insights
e-B2B	Business to business e-commerce
E2E	End-to-end
ERP system	Enterprise resource planning system
ETA	Estimated time of arrival
Facilities	Our Logistics Facilities and offices
FC	Fulfilment centre
FMCG	Fast-moving consumer goods
GPS	Global positioning system
GPS enabled device	A GPS device capable of capturing location data and transmitting it to our movement tracking system. The device is carried by a last/ first mile executive or a truck driver or is installed on a vehicle
GPS trace point	A locational data generated by a GPS device in the form of latitude and longitude along with timestamp and the device ID
Heavy Goods	White goods, furniture, sports goods, etc.
Logistics Facilities	Our sorting centres, gateways, distribution centres, last mile delivery centres, intermediate processing centres, returns processing centres, service centres, fulfilment centres and warehouses
ML/ Machine Learning	A method of data analysis that automates analytical model building
MSME	Micro, small and medium enterprises
Operations Research	Analytical method of problem-solving and decision-making that is useful in the management of organisations
Operator	A person who performs tasks such as pickup, delivery, quality check, KYC, etc. by visiting facilities of our Company, pickup points, consignee addresses, etc.
Pickup point	A location created by customers or their associates to denote a place for collection of shipments. Pickup points for a period mean number of such locations from where at least one shipment has been picked during the given period
PIN	Postal index number
PIN codes covered as on a date	The count of PIN codes (out of 19,300 PIN codes as provided by India Post on its website), where at least one shipment has been delivered during the last six months prior to such date
PTL	Part-truckload freight
Rated Automated Sort Capacity	The manufacturer specified hourly capacity of the sorters, multiplied by 24
Retail Points	Our Company's franchise stores where end consumers can drop cross border shipments that are to be shipped internationally
Shipment Lifecycle Event	In relation to a shipment, means an event that has been captured by the system and includes an event such as change of custody/ location of shipment, addition to a trip, delivery attempt at last mile, shipment damage, etc. Shipment lifecycle events mean total number of such events captured during the given period in relation to any shipment manifested in the system of our Company
Shipment Tonnage	Total of weights (in tons) billed to the customers in relation to the shipments delivered during the given period. Billed weight is the higher of actual weight and volumetric weight
Shipment Volume	The count of shipments/ parcels delivered during the given period
Sq. ft.	Square feet
TL	Truckload freight
TMS	Transportation management system

<b>Term</b>	<b>Description</b>
UAV	Unmanned aerial vehicle
UCP	Unified customer portal
Unique End Consumer	A person identified by a unique phone number for whom at least one shipment was picked up during the given period
WMS	Warehouse management system

#### **Conventional and General Terms or Abbreviations**

<b>Term</b>	<b>Description</b>
AGM	Annual General Meeting
AIF(s)	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
BSE	BSE Limited
CCPS	Compulsorily convertible preference shares
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013 or Companies Act	Companies Act, 2013 read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COVID-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation
CPC	Code of Civil Procedure, 1908
CSR	Corporate social responsibility
Depositories Act	Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depository Participant	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI
EGM	Extraordinary general meeting
EPS	Earnings per share
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
Financial Year/ Fiscal/ Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIR	First information report
FPIs	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
Gazette	Official Gazette of India
GDP	Gross Domestic Product
GoI	Central Government/Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Indian GAAP/ IGAAP	Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 and the Companies (Accounts) Rules, 2014 in so far as they apply to our Company, as amended
INR/ Indian Rupee/ Rs./ ₹	Indian Rupee, the official currency of the Republic of India
IST	Indian Standard Time

<b>Term</b>	<b>Description</b>
IT	Information Technology
KYC	Know Your Customer
MCA/ Ministry of Corporate Affairs	Ministry of Corporate Affairs, GoI
Mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA or N.A.	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-banking financial company
NEFT	National Electronic Funds Transfer
NIA	Negotiable Instruments Act, 1881
NPCI	National Payments Corporation of India
NRE	Non-Resident External
NRI	Non-Resident Indian
NRO	Non-Resident Ordinary
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
ODI	Offshore derivative instruments
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
Rule 144A	Rule 144A under the U.S. Securities Act
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018, as amended
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
Sq. ft.	Square feet
STT	Securities Transaction Tax
Systemically Important NBFC	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. QIB	“Qualified institutional buyer”, as defined in Rule 144A of the U.S. Securities Act
U.S. Securities Act	United States Securities Act of 1933, as amended
US\$/USD/US Dollar	United States Dollar, the official currency of the United States of America
USA/U.S./US	United States of America

<b>Term</b>	<b>Description</b>
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

All references in this Draft Red Herring Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'GoI', 'Central Government' or the 'State Government' are to the GoI, central or state, as applicable, all references to "United Kingdom", "Hong Kong", "U.S."/"U.S.A", "Bangladesh", "Singapore", "Sri Lanka" and "China" are to the United Kingdom of Great Britain and Northern Ireland, the Hong Kong Special Administrative Region of the People's Republic of China, the United States of America, the People's Republic of Bangladesh, the Republic of Singapore, the Democratic Socialist Republic of Sri Lanka and the People's Republic of China and their territories and possessions, respectively. Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time ("IST"). Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial data in this Draft Red Herring Prospectus is derived from the Restated Financial Statements. The Restated Financial Statements included in this Draft Red Herring Prospectus as at and for the three months ended June 30, 2021, and the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019, each derived from our audited interim consolidated Ind AS financial statements as at three months ended June 30, 2021 as prepared in accordance with Ind AS 34 and audited consolidated Ind AS financial statements for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019, each prepared in accordance with Ind AS, and restated in accordance with the SEBI ICDR Regulations, the Companies Act and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. For further information, see "**Financial Information**" on page 220. Further, figures for three months ended June 30, 2021 are not indicative of financial results for annual period and are not comparable with annual financial information for the Fiscals ended March 31, 2021, March 31, 2020 and March 31, 2019.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

We have included in this Draft Red Herring Prospectus, the Proforma Financial Statements (to be read in conjunction with the "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on page 460) as at and for the three months ended June 30, 2021 and the Fiscal ended March 31, 2021 to illustrate the impact of the acquisition of Spoton on our financial position as at March 31, 2021 and June 30, 2021 as if the acquisition happened on March 31, 2021, and as of June 30, 2021, respectively and on our results of operations for the year ended March 31, 2021 and for the three months period ended June 30, 2021 as if the acquisition occurred on April 1, 2020 and April 1, 2021, respectively. For further details, see "**Proforma Financial Statements**" on page 297, "**History and Certain Corporate Matters – Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamations, any revaluation of assets, etc. in the last 10 years**" on page 193, and "**Risk Factors - Our Pro Forma Financial Statements may not be indicative of our actual results of operations and financial position for such periods or as of such dates, or of expected results of operations in future periods or our future financial position**" on page 47.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, US GAAP and IFRS see "**Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows**" on page 59. The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Our Statutory Auditors have provided no assurance or services related to any prospective financial information included in this Draft Red Herring Prospectus. Unless the context otherwise indicates, any percentage or amounts (excluding certain operational metrics), with respect to financial information of our Company in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 29, 157 and 460, respectively, and elsewhere in this Draft Red Herring Prospectus have been derived from Restated Financial Statements.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

### **Non-GAAP Measures**

Certain Non-GAAP financial measures, such as Adjusted EBITDA relating to our financial performance have been included in this Draft Red Herring Prospectus. These Non-GAAP measures presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. We compute and disclose such Non-GAAP financial measures relating to our financial performance as we consider such information to be supplemental and useful measures of our business and financial performance. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company’s operating performance. These Non-GAAP financial measures and other information relating to financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore, may not be comparable to financial measures of similar nomenclature that may be computed and presented by other companies (other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure) and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. For further details, please see “*Risk Factors - We rely on certain key operating metrics and non-GAAP measures to evaluate the performance of our business, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business*” on page 51.

### **Currency and Units of Presentation**

All references to:

- ‘Rupees’ or ‘₹’ or ‘INR’ or ‘Rs.’ are to Indian Rupee, the official currency of the Republic of India;
- “HKD” are to Hong Kong Dollar, the official currency of the Hong Kong Special Administrative Region of the People’s Republic of China;
- “GBP” or “£” are to Pound Sterling, the official currency of the United Kingdom of Great Britain and Northern Ireland; and
- ‘USD’ or ‘US\$’ or ‘\$’ are to United States Dollar, the official currency of the United States of America.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in ‘lakh’, ‘million’ and ‘crores’ units or in whole numbers where the numbers have been too small to represent in such units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000. One lakh represents 100,000 and one crore represents 10,000,000.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

## Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Rupee amounts, are as follows:

Currency	As at			
	June 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019*
1 USD	74.35	73.51	75.39	69.17
1 HKD	9.55	9.42	9.70	8.81
1 GBP	102.95	100.95	93.08	90.48

Source: [www.fbil.org.in](http://www.fbil.org.in); [www1.oanda.com](http://www1.oanda.com)

\* Exchange rate as on March 29, 2019, as FBIL Reference Rate is not available for March 30, 2019, being a Saturday, and March 31, 2019, being a Sunday.

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus is derived from the report titled, 'Logistics Market in India' dated October 29, 2021 ("**RedSeer Report**") prepared by RedSeer Management Consulting Private Limited ("**RedSeer**"), appointed by our Company pursuant to an engagement letter dated June 8, 2021 and such report has been commissioned and paid for by our Company exclusively in relation to the Offer. RedSeer has required us to include the following disclaimer in connection with the RedSeer Report:

*"The market information in the Report is arrived at by employing an integrated research methodology which includes secondary and primary research. Our primary research work includes surveys and in-depth interviews of consumers, customers and other relevant ecosystem participants, and consultations with market participants and experts. In addition to the primary research, quantitative market information is also derived based on data from trusted portals and industry publications. Therefore, the information is subject to limitations of, among others, secondary statistics and primary research, and accordingly the findings do not purport to be exhaustive. RedSeer's estimates and assumptions are based on varying levels of quantitative and qualitative analyses from various sources, including industry journals, company reports and information in the public domain. RedSeer's research has been conducted with a broad perspective on the industry and will not necessarily reflect the performance of individual companies in the industry. RedSeer shall not be liable for any loss suffered by any person on account of reliance on the information contained in this Report.*

*While RedSeer has taken due care and caution in preparing this Report based on information obtained from sources generally believed to be reliable, its accuracy, completeness and underlying assumptions are subject to limitations like interpretations of market scenarios across sources, data availability amongst others.*

*Forecasts, estimates and other forward-looking statements contained in this Report are inherently uncertain and could fluctuate due to changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Additionally, the COVID-19 pandemic has significantly affected economic activity in general and it is yet to be fully abated. The forecasts, estimates and other forward-looking statements in this Report depend on factors like the recovery of the economy, evolution of consumer sentiments and the competitive environment, amongst others, leading to significant uncertainty, all of which cannot be reasonably and accurately accounted for. Actual results and future events could differ materially from such forecasts, estimates, or such statements.*

*This Report is not a recommendation to invest/disinvest in any entity covered in the Report and this Report should not be construed as investment advice within the meaning of any law or regulation. Therefore, reliance should not be placed on this Report for making any investment decisions.*

*Without limiting the generality of the foregoing, nothing in this Report should be construed as RedSeer providing or intending to provide any services in jurisdictions where it does not have the necessary permission and/or registration to carry out its business activities in this regard. No part of this Report shall be reproduced or extracted or published in any form without RedSeer's prior written approval."*

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

In accordance with the SEBI ICDR Regulations, “*Basis for Offer Price*” on page 129 includes information relating to our peer group companies, which has been derived from publicly available sources.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely amongst different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors – Certain sections of this Draft Red Herring Prospectus contain information from RedSeer which has been exclusively commissioned and paid for by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*” on page 61. Accordingly, investment decisions should not be based solely on such information.

#### **Notice to Prospective Investors in the United States and to U.S. persons outside the United States**

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Draft Red Herring Prospectus or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Offer, including the merits and risks involved. The Equity Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any other applicable law of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons as defined in Regulation S under the U.S. Securities Act (“**U.S. Persons**”) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Our Company has not registered and does not intend to register under the U.S. Investment Company Act of 1940, as amended (the “**U.S. Investment Company Act**”) in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case to investors that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “**U.S. QIBs**”) and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “**QIBs**”) and “qualified purchasers” (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as “**QPs**”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an “offshore transaction” in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or NSE).

As we are relying on an analysis that our Company does not come within the definition of an “investment company” under the U.S. Investment Company Act because of the exception provided under Section 3(c)(7) thereunder, our Company may be considered a “covered fund” as defined in the Volcker Rule. See “*Risk Factors – Our Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules*” on page 66 of this Draft Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



## **Notice to Prospective Investors in the European Economic Area**

This Draft Red Herring Prospectus has been prepared on the basis that all offers of Equity shares in Member States of the European Economic Area (“**EEA**”) (each a “**Member State**”) will be made pursuant to an exemption under the Prospectus Regulation (as defined below), as applicable to each Member State, from the requirement to produce a prospectus for offers of Equity Shares. The expression “Prospectus Regulation” means Regulation (EU) 2017/1129. Accordingly, any person making or intending to make an offer to the public within the EEA of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company, any of the Selling Shareholders or any of the BRLMs to produce a prospectus for such offer pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation. None of our Company, the Selling Shareholders and the BRLMs have authorised, nor do they authorise, the making of any offer of Equity Shares through any financial intermediary, other than the offers made by the BRLMs which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the Offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares.

### **Information to Distributors (as defined below)**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, “distributors” (for the purposes of the MiFID II Product Governance Requirements) (“**Distributors**”) should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the BRLMs will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

## **Notice to Prospective Investors in the United Kingdom**

This Draft Red Herring Prospectus has been prepared on the basis that all offers to the public of Equity Shares will be made pursuant to an exemption under the UK Prospectus Regulation from the requirement to produce a prospectus for offers of Equity Shares. The expression “UK Prospectus Regulation” means Prospectus Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. Accordingly, any person making or intending to make an offer to the public within the United Kingdom of Equity Shares which are the subject of the placement contemplated in this Draft Red Herring Prospectus should only do so in circumstances in which no obligation arises for our Company, the Selling Shareholders or any of the BRLMs to produce a prospectus for such offer pursuant to Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. None of our Company, the Selling Shareholders, the BRLMs have authorized, nor do they authorize, the making of any offer of Equity Shares through any financial

intermediary, other than the offers made by the Members of the Syndicate which constitute the final placement of Equity Shares contemplated in this Draft Red Herring Prospectus.

For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the Offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares.

### **Information to Distributors**

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook (“**PROD**”) (the “**UK MiFIR Product Governance Rules**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any ‘manufacturer’ (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of: (a) investors who meet the criteria of professional clients as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); (b) eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”); and (c) retail clients who do not meet the definition of professional client under (b) or eligible counterparty per (c); and (ii) eligible for distribution through all distribution channels (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the BRLMs will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS 9A and COBS 10A respectively; or (b) a recommendation to any investor or group of investors to invest in, or purchase or take any other action whatsoever with respect to the Equity Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “*aim*”, “*anticipate*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*likely to*”, “*objective*”, “*plan*”, “*propose*”, “*project*”, “*will*”, “*seek to*”, “*strive to*”, “*will continue*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Draft Red Herring Prospectus that are not statements of historical fact are ‘forward-looking statements’.

These forward-looking statements are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those suggested by the relevant forward-looking statement. This could be due to risks or uncertainties associated with expectations relating to, and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, changes in the incidence of any natural calamities and/or violence, regulations and taxes and changes in competition in the industries in which we operate. Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Reliance on a scaled, automated and unified network infrastructure, largely comprising our logistics and transportation facilities, for our business operations;
- Disruptions to our logistics and transportation facilities;
- Failure to attract and retain suitably qualified and skilled employees, or any labour unrest, labour union activities or increases in the cost of labour or failure to comply with applicable labour laws;
- Reliance on network partners and other third parties for certain aspects of our business;
- Our ability to control costs and pass on any increase in operating expenses to customers, for our long-term growth and competitiveness;
- High correlation of our business and growth with the growth of the e-commerce industry and more generally, commerce in India;
- Failure to improve or effectively utilise our technology infrastructure or prevent disruptions to our technology infrastructure, which is critical to our business operations and growth prospects;
- Highly fragmented nature of our industry and intense competition therein; and
- Reliance of a significant portion of our business on certain large customers and our failure to expand the size of our business with our existing customers.

For details regarding factors that could cause actual results to differ from expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 29, 157 and 460, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to Bidders that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Bidders are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholders, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity Shares pursuant to the Offer.

In accordance with requirements of SEBI and as prescribed under applicable law, each of the Selling Shareholders, severally and not jointly, shall ensure that the Bidders in India are informed of material developments, in relation to statements and undertakings specifically undertaken or confirmed by it in relation to itself and its respective portion of the Offered Shares in this Draft Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges for the respective portion of the Offered Shares pursuant to the Offer. Only statements and undertakings which are specifically confirmed or undertaken by each Selling Shareholder, as the case may be, in this Draft Red Herring Prospectus shall be deemed to be statements and undertakings made by such Selling Shareholder.

## SUMMARY OF THIS DRAFT RED HERRING PROSPECTUS

The following is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including “*Risk Factors*”, “*The Offer*”, “*Capital Structure*”, “*Objects of the Offer*”, “*Industry Overview*”, “*Our Business*”, “*Restated Financial Statements*”, “*Proforma Financial Statements*”, “*Outstanding Litigation and Material Developments*”, “*Offer Procedure*”, and “*Main Provisions of Articles of Association*” on pages 29, 68, 87, 120, 143, 157, 220, 297, 485, 525 and 546, respectively.

### Summary of the business of our Company

We were the largest and fastest growing fully integrated logistics player in India by revenue as of Fiscal 2021\*. We provide a full-range of logistics services, including express parcel delivery, heavy goods delivery, part-truckload freight, truckload freight, warehousing, supply chain solutions, cross border express and freight services and supply chain software. This is achieved through our 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 our self-developed logistics operating system that is guided in real-time by deep sources of proprietary network and environmental data.

\* According to the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer.

### Summary of the industry in which our Company operates

The Indian logistics sector had a direct spend of US\$216 billion in Fiscal 2020, which is expected to grow to US\$365 billion by Fiscal 2026, driven by strong underlying economic growth, favourable regulatory environment, improvements in India’s transportation infrastructure and growth of domestic manufacturing and the digital economy. The industry is fragmented with organized players accounting for approximately 3.5% of the market for road transportation, warehousing and supply chain services in Fiscal 2020. This is expected to reach 12.5-15.0% in Fiscal 2026, implying a CAGR of approximately 35% between Fiscal 2020 and Fiscal 2026.

### Names of our promoters

Our Company is a professionally managed company and does not have an identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act, 2013.

### Offer size

The following table summarizes the details of the Offer size:

Offer of Equity Shares <sup>(1)(2)</sup>	Up to [●] Equity Shares aggregating up to ₹74,600 million
<i>of which:</i>	
(i) Fresh Issue <sup>(1)</sup>	Up to [●] Equity Shares aggregating up to ₹50,000 million
(ii) Offer for Sale <sup>(2)</sup>	Up to [●] Equity Shares aggregating up to ₹24,600 million by the Selling Shareholders
(iii) Employee Reservation Portion <sup>(3)</sup>	Up to [●] Equity Shares aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares aggregating up to ₹[●] million

(1) The Offer has been authorised by our Board pursuant to its resolution passed on October 13, 2021 and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed on October 15, 2021.

(2) Each Selling Shareholder has confirmed that its respective portion of the Offered Shares is eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. For details on the authorisation of each of the Selling Shareholders in relation to the Offered Shares, see “*The Offer*” and “*Other Regulatory and Statutory Disclosures*” on page 68 and 496, respectively.

(3) In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000 subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion after allocation up to ₹500,000, shall be added to the Net Offer. For further details, see “*Offer Structure*” on page 521].

The Offer shall constitute [●]% of the post-Offer paid up Equity Share capital of our Company.

### Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

Particulars	(Amount in ₹ million)
Funding organic growth initiatives	25,000
Funding inorganic growth through acquisitions and other strategic initiatives	12,500
General corporate purposes <sup>(1)</sup>	[●]
<b>Total</b>	<b>[●]</b>

<sup>(1)</sup> To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Net Proceeds.

For further details, see “*Objects of the Offer*” on page 120.

### Aggregate pre-Offer shareholding of Selling Shareholders

The aggregate pre-Offer shareholding of the Selling Shareholders as a percentage of the pre-Offer paid-up Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus is set out below:

Name of Selling Shareholder	Number of Equity Shares held	Percentage of the pre-Offer paid-up Equity Share capital (%)	Number of Equity Shares, including upon conversion of Preference Shares	Percentage of pre-Offer Equity Share capital (including upon conversion of Preference Shares) (%)
<b>Investor Selling Shareholders</b>				
CA Swift Investments <sup>(1)</sup>	Nil	0.00	46,131,800	7.42
Deli CMF Pte. Ltd. <sup>(2)</sup>	Nil	0.00	6,879,000	1.11
SVF Doorbell (Cayman) Ltd <sup>(3)</sup>	1,375,300	0.70	141,593,300	22.78
Times Internet Limited	31,703,900	16.12	31,703,900	5.10
<b>Individual Selling Shareholders</b>				
Kapil Bharati	6,922,200	3.52	6,922,200	1.11
Mohit Tandon	11,664,200	5.93	11,664,200	1.88
Suraj Saharan	11,105,400	5.65	11,105,400	1.79

(1) As on the date of the Draft Red Herring Prospectus, CA Swift Investments holds 302,487 Series E Preference Shares and 158,831 Series F Preference Shares, which will be converted into an aggregate of 46,131,800 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

(2) As on the date of the Draft Red Herring Prospectus, Deli CMF Pte. Ltd. holds 41,424 Series E Preference Shares and 27,366 Series F Preference Shares, which will be converted into an aggregate of 6,879,000 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

(3) As on the date of the Draft Red Herring Prospectus, SVF Doorbell (Cayman) Ltd holds 164,862 Series D Preference Shares, 1,987 Series E Preference Shares and 1,235,331 Series F Preference Shares, which will be converted into an aggregate of 140,218,000 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

### Select financial information

The following details of our Equity Share capital, instruments entirely equity in nature, net worth, total income, restated loss, earnings per share, net asset value per Equity Share and total borrowings for the three months ended June 30, 2021, and financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 and total income, restated loss for the period/year and earnings per share (basic and diluted) for the three months ended June 30, 2021, and financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are derived from the Restated Financial Statements (except as stated in the note below):

(in ₹ million, unless otherwise specified)

Particulars	As at and for the three months ended June 30, 2021	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2020	As at and for the Financial Year ended March 31, 2019
Equity share capital	16.38	16.33	9.75	9.58
Instruments entirely equity in nature	410.33	353.99	391.72	391.72
Net worth*	47,436.28	28,367.97	31,704.06	33,882.83

(in ₹ million, unless otherwise specified)

Particulars	As at and for the three months ended June 30, 2021	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2020	As at and for the Financial Year ended March 31, 2019
Total income	13,640.11	38,382.91	29,886.29	16,948.74
Restated loss for the period/ year	(1,295.80)	(4,157.43)	(2,689.26)	(17,833.04)
Restated loss per share (Note 1 & 2)				
- Basic loss per share (in ₹)	(2.41)	(8.05)	(5.22)	(47.22)
- Diluted loss per share (in ₹)	(2.41)	(8.05)	(5.22)	(47.22)
Net asset value per share (in ₹) (Note 3)	82.57	54.79	61.51	65.94
Total borrowings <sup>#</sup>	3,423.84	3,013.43	2,568.15	936.17

\* "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as on June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019. For further details, see "Other Financial Information" on page 453.

<sup>#</sup>Total borrowings = Total borrowings represents sum of current borrowings and non-current borrowings.

#### Notes:

1. Basic and diluted loss per share: Basic and diluted loss per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended). Ratios for the three months period ended June 30, 2021 have not been annualized.
2. Loss per share for the period ended June 30, 2021 has not been annualized.
3. Net Assets Value per share (in ₹): Represents Net Asset Value per equity and preference share. It is calculated as Net Worth as of the end of relevant year/period divided by the number of equity and preference shares outstanding at the end of the year/ period.

The Restated loss per share and Net Asset Value per share disclosed above is after considering the impact of bonus and sub-division of the issued equity shares and conversion of outstanding preference shares.

Subsequent to June 30, 2021, on September 27, 2021, our Company issued bonus equity 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.

Subsequent to June 30, 2021, on September 29, 2021, our 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 CCCPS has been made to reflect the impact of such sub-division.

The impact of the above has been considered in the calculation of basic and diluted loss per share.

## Qualifications of the Statutory Auditors which have not been given effect to in the Restated Financial Statements

There are no qualifications of the Statutory Auditors in the examination report that have not been given effect to in the Restated Financial Statements.

## Summary of outstanding litigation

A summary of outstanding litigation proceedings involving our Company, our Subsidiaries, our Directors and our Group Company as on the date of this Draft Red Herring Prospectus is provided below:

Particulars	Number of Cases	Amount involved* (in ₹ million)
<b>Litigation involving our Company<sup>#</sup></b>		
Criminal proceedings	7	17.38
Material civil litigation	4	58.12
Actions by statutory or regulatory authorities	8	Nil
Direct and indirect tax proceedings	20	344.92
<b>Total</b>	<b>39</b>	<b>420.42</b>
<b>Litigation involving the Subsidiaries</b>		
Criminal proceedings	15	4.66
Material civil litigation	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil

Particulars	Number of Cases	Amount involved* (in ₹ million)
Direct and indirect tax proceedings	4	725.85
<b>Total</b>	<b>19</b>	<b>730.51</b>
<b>Litigation involving the Directors</b>		
Criminal proceedings	3	Nil
Material civil litigation	1	1,625.57
Actions by statutory or regulatory authorities	4	2.30
Direct and indirect tax proceedings	1	Nil
<b>Total</b>	<b>9</b>	<b>1,627.87</b>
<b>Litigation involving the Group Company</b>		
Material litigation which has an adverse impact on our Company	Nil	Nil

\* To the extent quantifiable.

#There are 42 consumer cases filed against our Company before various forums involving an aggregate amount of ₹3.87 million.

For further details on the outstanding litigation proceedings, see “**Outstanding Litigation and Material Developments**” on page 485.

### Risk Factors

Specific attention of the investors is invited to the section “**Risk Factors**” on page 29. Investors are advised to read the risk factors carefully before making an investment decision in the Offer.

### Summary of contingent liabilities

The following is a summary table of our contingent liabilities derived from the Restated Financial Statements as per Ind AS 37 as of June 30, 2021:

S. No.	Particulars	As of June 30, 2021
1.	Tax matter in appeal: Income Tax	344.92
2.	Others	0.50

For further details of our contingent liabilities as at June 30, 2021 as per Ind AS 37 – Provision, Contingent Liabilities and Contingent Assets, see “**Restated Financial Statements – Note 44: Contingent Liability**” on page 294.

### Summary of related party transactions

a) A summary of related party transactions as per the requirements under Ind AS 24 read with the SEBI ICDR Regulations entered into by our Company with related parties as at and for the three months ended June 30, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 are as follows:

a) The following is the summary of transactions with related parties as per Ind AS 24 for the period ended June 30, 2021 and year ended March 31, 2021, March 31, 2020 and March 31, 2019:

S. No.	Name of the Related party	Nature of transactions	Period ended June 30, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
1	Remuneration to key management personnel	Salary and other employee benefits *				
	Sahil Barua		35.58	43.31	22.79	8.00
	Mohit Tandon		-	5.79	13.68	7.60
	Suraj Saharan		-	-	4.62	8.00
	Bhavesh Kishor Manglani		-	-	-	3.00
	Kapil Bharati		34.43	39.25	66.15	7.74
	Ajith Pai Mangalore		43.25	118.97	64.21	104.47
	Amit Agarwal		33.12	45.43	33.70	10.36
	Deepak Manglani		-	0.18	2.85	1.20
	Kriti Gupta		0.14	0.29	-	-
	Vivek Kumar		0.10	-	-	-
	Sandeep Kumar Barasia		46.98	129.49	52.91	76.96



(in ₹ million)

S. No.	Name of the Related party	Nature of transactions	Period ended June 30, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
2	Payment to non-executive directors	Fees to non-executive directors				
	Anjali Bansal		1.63	6.50	6.50	6.50
	Deepak Kapoor		1.63	6.50	6.50	6.50
	Hanne Birgitte Breinbjerg Sorensen		1.63	7.50	6.90	6.90
	Srivatsan Ranjan		1.63	6.50	6.50	6.50
3	Loan and advances to key management personnel	Loan and advances to KMP				
	Sandeep Kumar Barasia		-	51.40	-	-
	Sahil Barua		-	23.50	-	-
	Kapil Bharati		-	23.50	-	-
	Ajith Pai Mangalore		-	23.50	-	-
	Amit Agarwal		-	23.50	-	-
4	Loan repayment from KMP	Loan repayment from KMP				
	Sandeep Kumar Barasia		-	1.00	-	-
5	Associate	Purchase of services				
	Leucon Technology Private Limited		9.18	53.30	68.39	62.24

\* 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. Share based payment amounting to ₹158.42 million (March 31, 2021: ₹268.30 million, March 31, 2020: ₹142.60 million, March 31, 2019: ₹152.70 million) has been charged to restated consolidated summary statement of profit and loss.

b) The following are the details of transactions eliminated on consolidation during the period ended June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019:

i) Delhivery Limited

(in ₹ million)

S. No.	Name of the Related party	Nature of transactions	Period ended June 30, 2021	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
			Transaction for the period	Transaction for the year	Transaction for the year	Transaction for the year
1	Delhivery Corp Limited, United Kingdom	Investment in equity	20.80	40.64	20.53	58.00
2	Delhivery HK Pte. Ltd.	Investment in equity	-	-	19.93	0.00*
		Services provided	36.07	88.19	142.51	1.63
3	Delhivery USA LLC	Investment in equity	-	197.45	70.32	-
		Services provided	21.37	-	-	-
		Services received	-	3.20	0.07	3.28
4	Orion Supply Chain Private Limited	Investment in equity	-	-	0.10	-
		Loan given	20.00	61.00	40.00	-
		Interest income	2.80	6.65	0.70	-
		Services received	7.34	42.42	1.55	-
5	Skynet Logistic Private Limited	Interest income	2.40	-	9.47	9.49
6	Delhivery Freight Services Private Limited	Investment in equity	-	0.10	-	-
		Loan given	30.00	670.00	-	-
		Interest income	17.40	34.39	-	-
		Services provided	13.90	44.03	-	-

\* Value less than ₹100,000

**ii) Orion Supply Chain Private Limited**

(in ₹ million)

S. No.	Name of the Related party	Nature of transactions	Period ended	Year ended	Year ended	Year ended
			June 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
			Transaction for the period	Transaction for the year	Transaction for the year	Transaction for the year
1	Delhivery Freight Services Private Limited	Income from lorry hire charges	24.20	58.21	-	-

For details of the related party transactions, see “*Other Financial Information – Related Party Transactions*” on page 455.

**Financing Arrangements**

There have been no financing arrangements whereby our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the relevant financing entity during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

**Weighted average price at which specified securities were acquired by the Selling Shareholders, in the last one year preceding the date of this Draft Red Herring Prospectus**

Except as disclosed below, no other Selling Shareholder has acquired equity shares and/or Preference Shares in the one year preceding the date of this Draft Red Herring Prospectus. The weighted average price at which equity shares and/or Preference Shares were acquired by the Selling Shareholders in the one year preceding the date of this Draft Red Herring Prospectus is as follows:

Selling Shareholder	Number of Equity Shares acquired in the preceding year	Weighted average cost of acquisition of Equity Shares acquired (in ₹)*
<b><i>Investor Selling Shareholders</i></b>		
CA Swift Investments	Nil	Nil
Deli CMF Pte Ltd	Nil	Nil
SVF Doorbell (Cayman) Ltd	1,237,770	Nil
Times Internet Limited	28,533,510	Nil
<b><i>Individual Selling Shareholders</i></b>		
Kapil Bharati	6,523,680	37.74
Mohit Tandon	10,497,780	Nil
Suraj Saharan	10,057,590	Nil

\*As certified by B.B & Associates, Chartered Accountants, by way of their certificate dated November 1, 2021.

Selling Shareholder	Number of Preference Shares acquired	Weighted average cost of acquisition of Preference Shares acquired (in ₹)*
<b><i>Investor Selling Shareholders</i></b>		
CA Swift Investments	Nil	Nil
Deli CMF Pte Ltd	Nil	Nil
SVF Doorbell (Cayman) Ltd	Nil	Nil
Times Internet Ltd	Nil	Nil
<b><i>Individual Selling Shareholders</i></b>		
Kapil Bharati	Nil	Nil
Mohit Tandon	Nil	Nil
Suraj Saharan	Nil	Nil

\*As certified by B.B & Associates, Chartered Accountants, by way of their certificate dated November 1, 2021.

**Average cost of acquisition of equity shares of the Selling Shareholders**

The average cost of acquisition per equity share of the Selling Shareholders as at the date of this Draft Red Herring is:

Selling Shareholder**	Number of Equity Shares acquired (excluding Equity Shares to be acquired on conversion of Preference Shares held)**	Average cost of acquisition per Equity Share (prior to conversion of the Preference Shares) (in ₹)	Number of Equity Shares acquired (post conversion of Preference Shares)**	Average cost of acquisition per Equity Share (post conversion of Preference Shares) (in ₹)*
<b>Investor Selling Shareholders</b>				
CA Swift Investments	Nil	Nil	46,131,800	139.88
Deli CMF Pte. Ltd.	Nil	Nil	6,879,000	142.91
SVF Doorbell (Cayman) Ltd	1,375,300	182.14	141,593,300	196.19
Times Internet Limited	31,703,900	3.63	31,703,900	3.63
<b>Individual Selling Shareholders</b>				
Kapil Bharati	6,922,200	35.18	6,922,200	35.18
Mohit Tandon	11,664,200	0.10	11,664,200	0.10
Suraj Saharan	11,105,400	0.10	11,105,400	0.10

\*As certified by B.B & Associates, Chartered Accountants, by way of their certificate dated November 1, 2021.

\*\* As on the date of this Draft Red Herring Prospectus, (i) CA Swift Investments holds 302,487 Series E Preference Shares and 158,831 Series F Preference Shares, which will be converted into an aggregate of 46,131,800 Equity Shares, (ii) Deli CMF Pte. Ltd. holds 41,424 Series E Preference Shares and 27,366 Series F Preference Shares, which will be converted into an aggregate of 6,879,000 Equity Shares, and (iii) SVF Doorbell (Cayman) Ltd holds 164,862 Series D Preference Shares, 1,987 Series E Preference Shares and 1,235,331 Series F Preference Shares, which will be converted into an aggregate of 140,218,000 Equity Shares, and the conversion into Equity Shares as mentioned in each of (i), (ii) and (iii) shall be undertaken prior to filing of the Red Herring Prospectus with the RoC.

#### Details of Pre-IPO Placement

Our Company does not propose to undertake any pre-IPO placement of its Equity Shares.

#### Offer of equity shares for consideration other than cash or by way of bonus in the last one year

Except as disclosed below, our Company has not issued any equity shares or preference shares for consideration other than cash or by way of bonus issue in the last one year:

Date of allotment	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Benefits accrued to our Company
September 29, 2021	Bonus issue in the ratio of nine equity shares for one equity share <sup>(1)</sup>	16,846,803	10	N.A.	N.A.

<sup>(1)</sup> Allotment of equity shares of face value of ₹10 each, by way of bonus issue, to such holders of equity shares of our Company, whose names appear in the list of beneficial owners on the record date, i.e. September 28, 2021.

#### Split or consolidation of equity shares in the last one year

Pursuant to shareholders' resolution dated September 29, 2021 each equity share of our Company of face value of ₹10 each was split into 10 Equity Shares of face value of ₹1 each. Therefore, an aggregate of 18,718,670 equity shares of ₹10 each were split into 187,186,700 Equity Shares of ₹1 each.

## SECTION II: RISK FACTORS

*An investment in our Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below before making an investment in our Equity Shares.*

*We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only risks relevant to us, our Equity Shares, or the industry in which we currently operate or propose to operate. To the extent the COVID-19 pandemic adversely affects our business and results of operations, it may also have the effect of heightening many of the other risks described in this section. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks mentioned in this section. If any or a combination of the following risks actually occur, or if any of the risks that are currently not known or deemed to be not relevant or material now actually occur or become material in the future, our business, cash flows, prospects, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. For more details on our business and operations, see “Our Business”, “Industry Overview”, “Key Industry Regulations and Policies” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 157, 143, 186 and 460, respectively, as well as other financial information included elsewhere in this Draft Red Herring Prospectus. In making an investment decision, you must rely on your own examination of the Company and the terms of the Offer, including the merits and risks involved, and you should consult your tax, financial and legal advisors about the particular consequences of investing in the Offer. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see “Forward-Looking Statements” on page 20.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled “Logistics Market in India” dated October 29, 2021, prepared and issued by RedSeer, which has been commissioned and paid for by us and prepared exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year, refers to such information for the relevant year. Unless otherwise indicated or unless context requires otherwise, the financial information in this section has been derived from the Restated Financial Statements. See “Restated Financial Statements” on page 220.*

### INTERNAL RISKS

#### Risks Relating to Our Business and Industry

- 1. We rely on a scaled, automated and unified network infrastructure, largely comprising our logistics and transportation facilities, for our business operations. We may not be able to manage our growth if we are not able to maintain or expand our network infrastructure.*

We have a nationwide network infrastructure, mainly comprising our logistics facilities, which include our sorting centres, gateways, distribution centres, intermediate processing centres, returns processing centres, service centres, fulfilment centres and warehouses (collectively, the “**logistics facilities**”) and our transportation facilities, which include our owned trucks and trucks and vehicles leased from third party fleet partners. Our ability to scale our network infrastructure in a calibrated manner, while leveraging our technology, is key to our business growth and may require substantial capital expenditures. The amount and timing of additional capital expenditures will depend on various factors, including our forecasted shipment volume and our ability to locate and lease suitable facilities in appropriate locations on commercially acceptable terms. We lease a mixture of logistics facilities built to suit our business and facilities that require further customisations to better suit our needs.

Our efforts to maintain and expand our network infrastructure or manage such expansion may be unsuccessful. If we expand too rapidly, we may encounter financial difficulties in a business downturn if the demand for our services falls short of our increased capacities. On the other hand, if we fail to expand our network at the necessary pace, we may lose potential customers and market share, or a portion of our existing customers’ business to our competitors. We may also not be able to locate desirable alternative sites for our facilities as our business continues to grow, as

we compete with other businesses for premises at certain locations or of desirable scale or quality. We may be pressured to pay higher rent for the desirable sites for our facilities due to competition which may result in lower profitability and cash flows. Moreover, in renting and setting up new logistics facilities, we may incur additional expenses to design the facility to suit our business purpose and purchase the necessary equipment.

Some of our technology and automation implementations, newly established logistics facilities or newly purchased transportation vehicles may not generate the efficiencies and benefits we anticipate, which could adversely affect our operations, financial condition and cash flows. For example, installation of new box sorting systems in our transportation hubs in Bangalore (Karnataka), Bhiwandi (Maharashtra), Kolkata (West Bengal) and Tauru (Haryana), which are expected to increase the combined inbound rated throughput of these transportation hubs, may not deliver the level of throughput and efficiency expected at the time of installation. We may fail to identify the optimal location for our new logistics facilities or design them in such a way that enables us to derive optimal returns on our investments. Moreover, we may not be successful in keeping up with technological and automation improvements or finding suitable automation solutions that meet our needs. The cost of implementing new technology or automation or expanding our network infrastructure can be high and we may not be able to recover such cost if the expected efficiencies realised from such technology, automation or expansion are not as anticipated or realised at all.

We may choose to fund the expansion of our network infrastructure by incurring debt or seeking additional sources of equity financing, which could also affect our future financing costs as well as our overall cash flows, financial condition and results of operations. Our investments in our logistics facilities and transportation vehicles may not realise the threshold returns. Furthermore, our ability to expand our network depends on our ability to obtain the requisite approvals and permits, as well as securing strategic and desirable locations for our logistics facilities. If we fail to obtain the requisite approvals or permits or are unable to secure strategic locations for our logistics facilities, our business and operations could be adversely affected.

**2. *Any disruptions to our logistics and transportation facilities could have a material adverse effect on our business, financial condition, cash flows and results of operations.***

Our daily operations rely heavily on the orderly performance of our logistics facilities and our transportation facilities, which are largely driven by technology. Any service disruption in our logistics facilities as a result of a failure or disruption of the automated facilities or equipment, technological issues, lower capacity during peak shipment volume periods, force majeure, prolonged power outage, changes in governmental planning for the land underlying these facilities, third-party sabotages, disputes, employee delinquencies or strikes, government inspections or regulatory orders mandating service halt or temporary or permanent shutdowns could adversely impact our business operations. For example, any ad hoc regulatory inspection by local authorities at any of our facilities may cause business disruptions and delay the processing and delivery of parcels. Our transportation facilities could also face disruption, whether due to poor road infrastructure, breakdowns of vehicles, third-party sabotage or employee delinquency or strikes, among others. The outbreak of an epidemic or a pandemic, such as the recent outbreak of COVID-19, may also cause a significant disruption to our business. See *“The ongoing COVID-19 pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations.”* If we are required by governmental authorities to implement changes to our facilities or relocate any of our facilities, our operating costs could materially increase as a result.

In addition, our service offerings are heavily dependent on our equipment, including data loggers, sorters, conveyors, material handling equipment, including reach trucks and forklifts, dock leveller and profilers, some of which are leased pursuant to long-term lease agreements. Any significant malfunction or breakdown of our equipment may entail significant repair and maintenance costs and cause delays in our operations. Furthermore, if we are unable to repair the malfunctioning equipment, our operations may need to be suspended until we procure a replacement. Any malfunction or breakdown of our equipment may also cause the quality of products stored with us to be affected. We may be liable for breach of our contractual obligations with our customers, including for any damages to their products, and this could result in significant losses to us. In particular, shipments with a short shelf life, such as perishable goods, could be damaged and expose us to additional losses and claims that may exceed any insurance coverage that we have. Any breach of our obligations may result in termination of our contracts with our customers or result in reputational damage, which could have an adverse effect on our business and financial results. Thus, delays or damages resulting from breakdowns in our equipment could adversely impact our reputation, which, over a period of time, could lead to a decline in business, financial performance and growth prospects.

Natural disasters or other unanticipated catastrophic events, including storms, heavy rains, fires, floods, earthquakes, terrorist attacks and wars, could destroy inventory and equipment located in these facilities and significantly impair or disrupt our business operations. See “—*Natural disasters, epidemics, pandemics, acts of war, terrorist attacks and other events could materially and adversely affect our business.*” For example, our distribution centres in Kerala and Bihar experienced electrical short circuits that sparked a fire in September 2020 and May 2021, respectively, causing damage to shipments, for which we have submitted insurance claims of approximately ₹247,052 and ₹74,149, respectively.

In addition, logistics and transportation facilities that meet the requirements of modern logistics operations for guaranteed storage and transportation safety (as applicable), optimal and flexible space utilisation and high operational efficiency are in short supply. We may not be able to replace these facilities and equipment in a timely manner, should any of the foregoing occur. Furthermore, the leases for the logistics facilities that we use could be challenged by third parties or government authorities or not renewed, which may cause interruptions to our business operations. We can provide no assurance that we will be able to find suitable replacement sites on terms acceptable to us on a timely basis, or at all, or that we will not be subject to material liability resulting from third parties’ challenges to our use of such properties.

In the event of service disruptions in our logistics facilities or transportation facilities, our shipment pickup and delivery may be delayed, suspended or stopped. Such shipments would need to be redirected to other nearby centres, and such rerouting would likely increase the risk of delays and delivery errors. At the same time, increased shipment sorting or pickup and delivery pressure on nearby centres may negatively impact their performance and result in adverse effects on our entire network. Any of the foregoing events may result in significant operational interruptions and slowdowns, customer complaints and reputational damage.

**3. *We employ a large workforce, and any failure to attract and retain suitably qualified and skilled employees, labour unrest, labour union activities, increases in the cost of labour or failure to comply with applicable labour laws could negatively affect our business.***

Our business requires a substantial number of personnel, and this is likely to increase in tandem with the growth of our business. As of June 30, 2021, we had a total of 12,665 permanent employees and 27,313 contracted workers, in addition to temporary workers that we hire from time to time to provide last mile delivery services. We had 26,370 last mile delivery agents in June 2021. The salaries and benefits that we provide are determined by various factors such as labour laws and regulations, supply and demand in micro sectors, attrition levels, and level of expertise, customisation and productivity required for a particular activity.

Our future success greatly depends on our continued ability to attract, develop, motivate, recruit and retain suitably qualified employees, particularly those skilled in technology, data science, industrial design, automation, robotics and engineering. Our engineering, data sciences and product team comprised 474 members as of June 30, 2021. Competition for highly skilled personnel in the logistics industry and Indian technology industry is intense, and may further intensify and significantly increase our employee-related costs, which may impact our profitability. We may not be able to recruit and retain these personnel at compensation levels consistent with our existing compensation and salary structure. Some of the companies with which we compete for experienced employees may have greater resources and may be able to offer more attractive terms of employment. In addition, we invest significant time and resources in training our employees, which increases their value to competitors who may seek to recruit them. If we fail to retain our employees or are unable to replace them in a timely manner or at all, we could incur significant expenses in hiring and training their replacements, and the quality of our services and our ability to serve our customers could diminish, resulting in a material adverse effect to our business, financial condition, cash flows, prospects and results of operations.

The engagement of a large contractual workforce requires us to comply with applicable labour laws. We may be held responsible in the event that we or the manpower agencies that we contract with fail to comply with the applicable labour laws, including failure to comply with minimum wage laws, pay wages or provide various employment benefits, including contributions to the employees’ provident fund (“**EPF**”). In the event of a default by the manpower agencies on their contracts with the contracted workers, we may be held liable. Changes in labour laws, such as minimum wage laws, may also require us to incur additional costs, such as raising salaries or increasing our contributions to the EPF. For example, the GoI has recently introduced (a) the Code on Wages, 2019 (“**Wages Code**”); (b) the Code on Social Security, 2020 (“**Social Security Code**”); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. The rules for the implementation of these codes have not been announced, and as such, the full impact of such laws on our business, operations and growth prospects, remain uncertain. For example, the Social Security Code aims to provide uniformity in providing social security



benefits to employees which were previously segregated under different acts and had different applicability and coverage. The Social Security Code has introduced the concept of workers outside traditional employer-employee work-arrangements, such as “gig workers” and “platform workers” and provides for the mandatory registration of such workers in order to enable these workers to avail themselves of various employment benefits, such as life and disability cover, health and maternity benefits and old age protection, under schemes framed under the Social Security Code from time to time. Furthermore, the Wages Code limits the amounts that may be excluded from being accounted towards employment benefits (such as gratuity and maternity benefits) to a maximum of 50% of the wages payable to employees. Our employee benefits expenses currently constitute one of our largest expenses, making up 16.75% and 15.67% of our revenue from contracts with customers in Fiscal 2021 and the three months ended June 30, 2021, respectively. Further, our contractual manpower expenses make up 12.97% and 9.28% of our revenue from contracts with customers for such periods, respectively. The implementation of laws enhancing employee benefits may increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

Any failure to retain a stable and dedicated workforce by us may lead to disruption to or delay in our services provided to customers. We often need to hire additional or temporary workers to handle the significant increase in shipment volume following special promotional events or during peak seasons of e-commerce. Although we have not experienced any labour shortage to date, we have observed an overall tightening and increasingly competitive labour market, particularly during the COVID-19 pandemic. During the COVID-19 outbreak, we experienced higher attrition rates and offered performance-based bonuses to our workers to incentivise them. Labour costs are driven by market dynamics and we may experience fluctuations in our labour costs due to increases in salary, social benefits and employee and contracted worker headcount, particularly during peak seasons and natural disasters, such as pandemics. If we are unable to offer competitive or attractive salaries and benefits, or pay our employees and contracted workers on time or in full, we may lose our personnel or be unable to hire additional temporary workers during peak seasons, resulting in insufficient delivery resources, disgruntled employees and contracted workers or lower delivery service quality in certain parts of our network. We may not be able to raise our pricing to offset any increases in labour cost in a timely manner or at all.

Our workers are not currently represented by any labour unions or recognised collective bargaining agreements. If a labour dispute or conflict were to develop between us and our employees or contracted workers were to unionise or go on strike, we could become a target for union organizing activities and suffer work stoppage for a significant period of time. The unionisation of the workers engaged by our business partners, and any strikes, work stoppages, industrial actions or other forms of labour unrest or collective actions directed against us or our business partners could hinder our business operations or result in negative publicity that could adversely affect our brand and reputation. Work stoppages can result in significant disruptions or delays in our ability to complete deliveries. A labour dispute can be difficult to resolve and may require us to seek arbitration for resolution, which can be time-consuming, distracting to management, expensive and difficult to predict. In addition, labour disputes with a unionised employee or worker may involve substantial demands on behalf of the unionised employees or workers, including substantial wage increases, which may not be correlated with our performance, thus impairing our financial results. In the event that we are unable to pass on any increased labour costs to our customers, our business operations, financial condition and cash flows may be adversely affected.

**4. *We rely on network partners and other third parties for certain aspects of our business, which poses additional risks.***

We operate an asset light business model, leasing all of our logistics facilities. As of June 30, 2021, we have leased 2,473 properties for our offices, gateways, warehouses, hubs and last mile delivery centres (collectively, the “**Facilities**”). See “- *All of our logistics facilities are leased and some of our lease agreements may have certain irregularities. Failure to renew our leases or to locate desirable alternatives for our facilities could materially and adversely affect our business*” on page 44.

We also engaged over 6,000 contractors and network partners across various first mile, middle mile and last mile services in the three months ended June 30, 2021, and 26,370 last mile delivery agents in June 2021, while we operate a portion of the middle mile operations. We also engage contractual manpower agencies to provide a large number of contracted workers for our logistics facilities. As of June 30, 2021, 27,313 contracted workers were active in our operations. We enter into agreements with manpower agencies and do not have any direct contractual relationship with contracted workers. We have limited control and supervision over our network partners, fleet partners and contracted workers. While our agreements with network partners, fleet partners and manpower agencies provide that we are not liable to their respective personnel, including for wage payments, if our network partners, fleet partners or manpower agencies violate any relevant labour laws, regulations or their employment

agreements with their respective personnel, such personnel may file a claim against us, including filing wage claims, as they provided their services at our facilities. As a result, we may incur additional costs.

In addition, the majority of our trucks and other transportation vehicles were leased from third-party fleet partners as of June 30, 2021. We compete with other companies in our industry as well as other industries for network partners, labour, trucks and fleet partners. Such competition may affect the overall stability of our workforce and the performance of our network. We may have to pay higher prices to network partners, fleet partners and manpower agencies, particularly during peak seasons in the logistics industry when trucks and manpower are in short supply, which may result in lower profitability and insufficient cash flows. Fleet partners are also responsible for the servicing and maintenance of the leased vehicles. If they do not provide adequate or reliable vehicles or trucks of the size which can service the needs of our customers, it could result in a shortage of transportation vehicles, vehicle breakdowns or delays in or damage to shipments, any of which could result in loss of business and also adversely affect our reputation, financial condition, cash flows and results of operations.

Our network partners, fleet partners and manpower agencies may not be able to provide the required number or type of trucks or personnel in time. We have implemented various measures to detect and reduce the occurrence of fraudulent activities, such as encouraging the reporting of concerns, evaluation of vendors, restricting or suspending some marketplace sellers and service providers, and implementing GPS monitoring of our fleets. We also evaluate the qualification of network partners, fleet partners and contracted workers prior to their appointment, provide network partners and contracted workers with extensive ongoing training through online applications and periodically review their performance. However, despite these measures, these third parties may fail to operate in accordance with our instructions, policies and business guidelines. In particular, some of our network partners and contracted workers directly interact with end customers, and their performance directly affects our brand, reputation and customers' experience. For example, they may be negligent or unprofessional in their conduct, or breach our policies and procedures, such as engaging in theft of shipments or cash received from customers upon delivery or engaging in other fraudulent activities, violate laws and regulations, provide unsatisfactory customer service, wilfully or inadvertently breach our customers' trust or engage in actions that result in delayed deliveries. Due to the large shipment volume handled through our network, we may not be able to identify every incident of inappropriate, illegal or fraudulent activities involving our platform, or prevent all such activities from occurring. As a result of such occurrences, our reputation may be adversely affected and we may lose customers and suffer financial losses. While we maintain insurance policies covering loss of cash, such policies may not fully cover losses arising from fraudulent activities. See “*—We face risks associated with shipments handled and transported through our network and risks associated with transportation and cash-on-delivery, which may not be fully covered by our insurance policies*” on page 40.

Moreover, in the event of changes in the laws and regulations around the qualifications of transportation vehicles, we, our network partners and our third-party fleet partners may be required to make significant additional expenditures. For example, in August 2016, vehicle manufacturers in India agreed to GoI's demand to meet the “BS-VI” emission norms by 2020. To register new vehicles, we, our network partners and our third-party fleet partners may be required to invest in new vehicles that comply with “BS-VI” emission norms, which may lead to increased costs and result in higher operational costs for us.

Our agreements with network partners generally have no fixed term but can be terminated by either party under certain circumstances, while our agreements with third-party fleet partners generally have a term of 22 months and our agreements with manpower agencies generally have a term of 12 months. Pursuant to the relevant contracts, such counterparties may generally elect to renew the agreement upon expiration in order to remain in our network. Failure to renew our agreements with key business partners in a timely manner or on commercially reasonable terms or at all, may materially and adversely disrupt our business operations, particularly within the areas covered by such partners, and in turn, our financial performance and growth prospects. We may not be able to find new replacement partners that meet our established standards in a timely manner or at all. In addition, as we continue to expand our business in various regions in India, we may encounter a shortage of potential network partners or third-party fleet partners meeting our quality standards and selection criteria, which may hinder the growth of our business.

In addition, we rely on third-party verification technologies and services that are critical to our ability to maintain a high level of automation. If any of such third party terminates its relationship with us or refuses to renew its agreement with us on commercially reasonable terms, we would need to find an alternate provider and may not be able to secure similar terms or replace such providers in an acceptable time frame. We also rely on other software and services supplied by vendors, such as payroll and human resources management, and our business may be adversely affected to the extent such software and services do not meet our expectations, contain errors or vulnerabilities, are compromised or experience outages. Any of these risks could increase our costs and adversely affect our business, financial condition, cash flows and results of operations. Furthermore, any negative publicity



related to any of our third-party partners, including any publicity related to quality standards or safety concerns, could adversely affect our reputation and brand, and could potentially lead to increased regulatory or litigation exposure.

**5. *Our long-term growth and competitiveness are highly dependent on our ability to control costs and pass on any increase in operating expenses to customers, while continuing to offer competitive pricing.***

To maintain competitive pricing and enhance our profit margins, we must continuously control our costs. Employee benefits expense, line haul expenses, contractual manpower expenses, vehicle rental expenses, rent and power, fuel and water charges represent some of our most significant recurring operating costs and an increase in such costs or an inability to pass on some or all of such increase to our customers will adversely affect our results of operations and cash flows. Rental costs for our leased facilities and pricing for our leased vehicles are subject to potential increases, with the former being subject to contractual escalations. Our facility lease agreements provide for rent increases generally in the range of 7% per year, while our vehicle lease agreements are short-term in nature, with rental prices linked to the market price of diesel fuel. We may not be able to renew our leases for our facilities or vehicles on favourable terms or at favourable prices. In addition, pursuant to our agreements with network partners, we are responsible for paying the fuel costs incurred. Under our PTL, supply chain and FTL agreements, the fuel price is determined by the specified fuel index which benchmarks the price to market prices, thereby minimizing fluctuations in fuel prices incurred by us. The benchmark price is recalculated monthly for PTL agreements and on a quarterly basis for other agreements. The cost of fuel has increased in recent years and fluctuates significantly due to various factors beyond our control, including, international prices of crude oil and petroleum products, global and regional demand and supply conditions, geopolitical uncertainties, import cost of crude oil, domestic taxes, government policies and regulations and availability of alternative fuels. In addition, the GoI deregulated diesel prices in India, removing certain subsidies on diesel prices, and the price of diesel and consequently our fuel cost, have fluctuated significantly in recent periods. Our transportation partners may raise their service fees in response to increases in fuel cost. Furthermore, the GoI may implement new laws or other regulations and policies that could affect the logistics industry in general, including requiring additional approvals or licenses, imposing additional restrictions on our or our third-party network partners' operations or tightening the enforcement of existing or new laws or regulations, any of which could require us to incur additional expenses to comply with such laws and regulations. See “—*Our business is subject to various laws and regulations which are constantly evolving. If we or our third-party network partners are deemed to be not in compliance with any of these laws and regulations, our business, reputation, financial condition, cash flows and results of operations may be materially and adversely impacted*” on page 38. If we suffer any increases in expenses and are unable to pass on such increases to our customers, our operating margins, and consequently, our business and profitability may be adversely affected.

Effective cost-control measures have a direct impact on our financial condition, cash flows and results of operations. We have adopted various cost-control measures. For example, fuel cost can be reduced through the use of more fuel-efficient vehicles, and unit transportation cost can be reduced by adding cost efficient, high-capacity line-haul trucks to our self-owned and vendor fleet and employee and contracted manpower costs can be contained through the deployment of more automation equipment at our sorting hubs. We will continue to adopt new cost control measures as necessary and appropriate. However, the measures we have adopted or will adopt in the future may not be as effective as expected in improving our financial condition, cash flows and results of operations. In the event of a significant increase in our operating costs, whether as a result of increases in fuel prices, third-party transportation service charges, rent or other costs, our profitability may decrease if we are unable to adopt effective cost control-measures or pass on incremental costs to our customers. We may not be able to immediately pass on any short-term increases in service fees charged by our network partners, fleet partners or manpower agencies to our customers.

In general, our prices, based on varying combinations of weight, distance, the zone the shipment has to travel to and the size of the truck based on the service type, have declined over time, due to various factors, including our cost optimisation efforts and strategic pricing actions. However, increased investments, the lowering of prices or the offering of innovative services by our competitors may require us to divert significant managerial, financial and human resources to remain competitive. If we are not able to effectively control our cost and adjust to changes in market conditions, our profitability and cash flows may be adversely affected. Our adjusted EBITDA is also affected by a variety of other factors, such as shipment volume, utilisation rates of our vehicles and logistics facilities and the productivity of our employees, contracted workers and agents.

**6. *Although we continue to diversify our customer base, e-commerce customers contribute a majority of our shipment volume. Accordingly, our business and growth are highly correlated with the growth of the e-commerce industry and more generally, commerce, in India.***

During our initial years, we were heavily reliant on e-commerce customers. We have since diversified into other industry verticals, including customer electronics, consumer durables, FMCG, healthcare, lifestyle, automobiles and manufacturing. However, our e-commerce customers' contribution to our total revenue continues to be significant. For Fiscals 2019, 2020, 2021 and the three months ended June 30, 2021, our revenue from express parcel services, which largely cater to e-commerce customers contributed ₹13,730.73 million, ₹19,288.56 million, ₹25,505.15 million and ₹7,854.29 million of revenue from contract with customers, respectively, or 83.02%, 69.37%, 69.94% and 59.61% of our revenue from contracts with customers during the same periods, respectively. According to the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, we had a market share of approximately 20% of the overall e-commerce volumes (including captive players) in India in the three months ended June 30, 2021.

Our business and growth are therefore highly correlated with the viability and prospects of the e-commerce industry and broader commerce in India. In particular, our business relies on certain Indian online marketplaces and e-commerce companies. E-commerce companies tend to partner with third-party logistics and supply chain service providers due to the high cost, operational inefficiencies and difficulty associated with the development of in-house logistics and supply chain expertise. If, however, our customers are able to develop their own logistics and supply chain solutions, increase utilisation of their in-house supply chain, reduce their logistics spending or their allocation of shipment volumes to us, or otherwise choose to terminate our services, our business, financial performance and growth prospectus would be materially and adversely affected. See “—*We operate in a highly fragmented industry and face intense competition, which could adversely affect our results of operations and market share.*”

Any uncertainties relating to the growth, profitability and regulatory regime of commerce in India could have a significant impact on us. In particular, e-commerce and broader commerce in India is affected by several factors, most of which are beyond our control. These factors include, among others:

- the growth of broadband and mobile internet penetration and usage in India;
- consumer comfort with online shopping;
- the consumption power and disposable income of consumers in India, as well as changes in demographics and consumer tastes and preferences;
- the availability, reliability and security of e-commerce platforms and online transactions;
- the selection, price and popularity of products offered on e-commerce platforms;
- the development of fulfilment, payment and other ancillary services;
- the continuing impact of the COVID-19 pandemic on the Indian economy and consequent changes in customers' consumption behaviour;
- the continued integration of online and offline retail channels by large commerce platforms and various retail merchants to enhance customers' shopping experience;
- usability, functionality and features of e-commerce platforms; and
- changes in laws and regulations, as well as government policies, that govern the commerce industry in India.

Commerce is highly sensitive to changes in macroeconomic conditions, and consumer spending tends to materially decline during recessionary periods. A number of factors can adversely affect consumer confidence and spending behaviour, such as customer perception of the reliability and quality of online purchases, concerns of delayed shipments or the inconvenience or cost of returning or exchanging online purchases or concerns of the security of online transactions and the protection of customers' data privacy, which could in turn materially and adversely affect our growth and profitability.

**7. *Our technology infrastructure is critical to our business operations and growth prospects, and failure to improve or effectively utilise our technology infrastructure or prevent disruptions to our technology infrastructure could harm our business operations, reputation and growth prospects.***

Our proprietary technology infrastructure powered by our self-developed software, applications and data-science capabilities orchestrates our network. We also depend on our technology systems to control our logistics operations,

manage inventory, process and bill shipments, process payments and record cash payments by customers, amongst other processes. Accordingly, reliability, availability and consistent performance of our technology infrastructure is critical to our ability to operate our business and deliver high-quality customer service. Any errors, bugs or malfunctioning of our technology systems can adversely affect our financials and results of operations. Furthermore, any error in the billing system could disrupt our operations and impact our ability to provide or bill for our services, retain customers, attract new customers, or negatively impact overall customer experience.

Our business requires us to be capable of processing large quantities of data and information efficiently. To support the large number of transactions made on our platform, we integrate our technology systems with our customers' systems. We may fail to successfully integrate our information technology systems with those of our customers or may face difficulties in doing so, any of which may adversely affect the quality of our service and our relationship with such customers. Moreover, if any of our customers inappropriately revises data or information without our authorisation or fails to maintain data integrity, or if any party penetrates our network and damages data and compromises security or otherwise impedes the normal operation of the database, our business operations may be materially and adversely affected or interrupted. Furthermore, changes to our customers' IT systems, which we integrate with, may also materially and adversely affect our business operations.

Our systems, or those of third-parties upon which we rely, are vulnerable to service interruptions or degradation or other performance problems attributable to a variety of factors, including hardware and software defects or malfunctions, system failures, unexpected high volume of transactions, distributed denial-of-service and other cyberattacks, infrastructure changes, human error, earthquakes, hurricanes, floods, fires and other natural disasters, power losses, disruptions in telecommunications services, unauthorised access, fraud, military or political conflicts, terrorist attacks, legal or regulatory takedowns, computer viruses, ransomware, malware, or other events. Our systems may also be subject to break-ins, sabotage, theft and intentional acts of vandalism, including by our own employees. Any issues impairing the functionality and effectiveness of our systems could result in unanticipated system disruptions, slower response time and impaired user experiences, as well as delays or inaccuracies in reporting operating and financial information, which will also impact our ability to provide secure and seamless access to our platforms. In addition, any errors, vulnerabilities or infringements discovered in our code or from third-party software could result in negative publicity, a loss of customer or loss of revenue, legal proceedings, and access or other performance issues.

While we typically release periodic updates to our software and applications to fix bugs, errors and vulnerabilities, we may not, in certain instances, be able to identify the cause of any performance problems in a timely manner. Such vulnerabilities could also be exploited by malicious viruses and result in exposure of data of the participants on our platform, or otherwise result in a security breach or other security incident. Any interruptions caused by telecommunications failures, computer viruses, hacking or other attempts to harm our software or technology infrastructure could result in the unavailability or slowdown of our centralised system, misappropriation of customer data or other sensitive information, loss of intellectual property or critical data, any of which significantly impact workflow throughout our entire network or impair our operations. For example, in July 2018, as a result of a security hack, we experienced brief downtime in our mid-mile delivery application. Our current security mechanisms may not be sufficient to protect our technology systems from any third-party intrusions, viruses or hacker attacks, information or data theft or other similar activities. Any breach of our information technology systems could require us to incur additional expenses in setting up more advanced security systems to prevent any unauthorised access of our network. Any failure to effectively resolve any such errors, defects, or vulnerabilities in a timely manner could adversely affect our business, reputation, brand, financial condition, cash flows and results of operations.

Given the continuing technological advancements, we must continuously invest in new technologies and upgrade our technology systems in order to meet evolving customer needs and accommodate changes in our own operational needs. We must be able to correctly identify and address market trends and enhance our technology infrastructure and the features and functionality of our systems and platform in response to these trends. This may result in significant research and development expenses, and require significant investments in terms of time and financial and managerial resources, including recruiting and training new technology personnel, adding new hardware, updating our software and strengthening our research and development capabilities. We may fail to correctly identify our customers' needs and the trends in the logistics industry or to design and implement the appropriate features and functionality of our technology infrastructure and platform in a timely and cost-effective manner, which could result in decreased demand for our services and a corresponding negative impact on our financial performance.

While we have significantly increased our investments in technology, such investments may not be sufficient to fully support our existing and future business requirements. Failure to sufficiently invest in our technology systems

could put us at a disadvantage compared to our competitors and lead to loss of customers or market share or other economic losses. In the event that our technology systems are unable to handle the additional business volume, our service capabilities, operating efficiency and future logistics volume may decline.

**8. *We operate in a highly fragmented industry and face intense competition, which could adversely affect our results of operations and market share.***

We operate in a highly competitive industry. Many segments in which we operate have low barriers to entry, resulting in a highly fragmented market. Increased competition from unorganised third-party logistics or transport providers could force us to lower our prices, thereby reducing our profit margins or market share.

We compete based on a number of factors, including the breadth of our services, network flexibility and stability, operational capabilities, infrastructure capacity, cost, pricing and service quality. If we cannot effectively control our costs and are required to increase our pricing in line with any cost increases, we could lose customers and our market share and revenue could decline. Our competitors may attempt to gain market share by lowering their rates, especially during economic slowdowns or in key regional markets. Such rate reductions may limit our ability to maintain or increase our rates and operating margins and impede our ability to grow our business.

In addition, major e-commerce marketplaces may choose to build or further develop their respective in-house fulfilment capabilities to serve their logistics needs and compete with us, which may significantly affect our market share and total parcel volume. Furthermore, as we diversify our service offerings and further expand our customer base, we may face competition from existing or new players in new sectors we choose to enter, in which we may lack experience and track record. In particular, we may face competition from existing or new last-mile delivery service providers which may expand their service offerings to include other services that we currently provide or adopt a business model disruptive to our business and compete with us for delivery personnel. Similarly, existing players in an adjacent market may choose to leverage their existing infrastructure and expand their services to serve our customers. We may lose members of our management team or experienced employees to such competitors or may fail to implement technological innovations that enable us to compete effectively with our competitors. If these players succeed in developing their fulfilment capabilities, our market share may be adversely impacted and our business and financial performance may be significantly and adversely affected.

Certain of our current and potential competitors, as well as international logistics operators, may have significantly greater resources, including financial resources, greater economies of scale attributable to their larger size, wider distribution networks, greater operating efficiencies, a broader range of services, longer operating histories, better customer relationships, larger customer bases or greater brand recognition than us. Other current and potential competitors may be acquired by, receive investment from, or enter into strategic relationships with, established and well-financed companies or investors which would help enhance their competitiveness. Moreover, competitors may adopt more aggressive pricing policies or devote greater resources to marketing and promotional campaigns than us. To effectively compete, we may be required to lower our pricing or increase our investment in advertisement and promotions, which would increase our operating costs. We may not be able to compete successfully against current or future competitors, and competitive pressures may have a material and adverse effect on our business, financial condition, cash flows and results of operations.

**9. *A significant portion of our business is attributable to certain large customers. Their future actions may have an adverse impact on our business. If we fail to expand the size of our business with our existing customers, our business, revenue, profitability and growth may be harmed.***

A significant portion of our business is attributable to certain large customers, with our top five customers contributing ₹8,073.03 million, ₹11,629.10 million, ₹15,569.29 million and ₹4,825.68 million to our revenue from contracts with customers for Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021, respectively, or 48.78%, 41.75%, 42.66% and 41.66% of our total revenue from contracts with customers for the same periods, respectively. Our success depends on our ability to generate repeat customer use and increase the size of our business from our existing customers. This requires us to continuously improve our existing offerings, offer more cost-effective and high-quality logistics services and introduce new innovative solutions and services that meet evolving market trends and satisfy changing customer demands and business needs.

There is no assurance that we will successfully retain all of our existing key customers in the future. Certain customer contracts require us to pay salaries and wages to delivery personnel and to maintain compliance with the requirements of applicable labour regulations in India, and ensure that all vehicles deployed by our Company have valid licences and registrations and are compliant with regulations related to health, insurance and operational

safety. A breach of these obligations may result in termination of such contracts. Further, our customer contracts are entered on a short term basis for a period typically ranging from one to three years. We cannot assure you that we will be able to renew customers on commercially acceptable terms, or at all. In addition, the customer contracts provide termination rights to our customers upon the occurrence of certain events, such as a material breach of the terms of the contracts by our Company and any inability to pay our debts.

Should our business relationship with any one of these key customers be terminated, or if any of our key customers reduces the proportion of their logistics needs that is allocated to us, the impact to our revenue stream could be substantial. Termination of our contract by any significant customer may materially and adversely affect our revenues, cash flows and prospects. If our key customers require us to lower prices, our business could be materially and adversely affected.

Failure to establish partnerships with new customers may also adversely affect our business and growth prospects.

***10. Our business is subject to various laws and regulations which are constantly evolving. If we or our third-party network partners are deemed to be not in compliance with any of these laws and regulations, our business, reputation, financial condition, cash flows and results of operations may be materially and adversely impacted.***

Our business is subject to regulation by the relevant governmental authorities, including the Food Safety and Standards Authority of India, the Directorate General of Shipping, the Ministry of Consumer Affairs, Food and Public Distribution and the Commissioner of Customs. Together, these governmental authorities promulgate and enforce regulations that cover many aspects of our day-to-day operations, such as the Motor Vehicles Act, 1988, Multimodal Transport Operator Rules, 1992, the Food Safety and Standards Act, 2006, the Legal Metrology (Packaged Commodities) Rules, 2011, Carriage by Road Act, 2007, and various state-wise shops and establishments legislations and Contract Labour (Regulation and Abolition) Act, 1970.

The laws and regulations governing our businesses are evolving and may be amended, supplemented or changed at any time. The GoI may implement new laws or other regulations and policies that could affect the logistics industry in general, including requiring additional approvals or licenses, imposing additional restrictions on our or our third-party network partners' operations or tightening the enforcement of existing or new laws or regulations. We may be required to seek and follow additional procedures, modify or adjust certain activities, restructure our ownership structure, obtain new or additional licenses or incur additional expenses to comply with such laws and regulations, which could adversely affect our future development and business. Recently, on August 25, 2021, the Ministry of Aviation, GoI, issued the Drone Rules, 2021, regulating the possession, lease, operation and maintenance of drones, with the exception of unmanned aircrafts used by the Union of India for military or security purposes. Similarly, the Ministry of Consumer Affairs, Food and Public Distribution issued the Legal Metrology (General) (Amendment) Rules, 2021 on March 3, 2021 to prevent the double stamping of the same weights and measures. In order to comply with evolving laws and regulations, we may need to devote significant management time and other resources, including restructuring affected businesses, changing our business practices and adjusting our processes and systems, which may materially and adversely affect our business, growth prospects and reputation. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time-consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

In addition, a large number of our customers operate in the e-commerce and related sectors. Laws and regulations, especially those relating to foreign investment in e-commerce and related sectors in India, are constantly evolving. Foreign investments into Indian companies are regulated by the GoI and the Reserve Bank of India (“**RBI**”). Under the consolidated foreign direct investment policy (effective from October 15, 2020) (“**FDI Policy**”), Foreign Exchange Management Act, 1999 and the rules and regulations thereunder, each as amended (“**FEMA**”), the GoI has specific prescribed requirements and conditions on the level of foreign investment permitted in e-commerce companies without prior regulatory approval (the “**Automatic Route**”) and with prior regulatory approval (the “**Approval Route**”). The FDI Policy currently allows 100% foreign direct investment in businesses operating on an e-commerce marketplace-based model, but does not permit any foreign direct investments in businesses operating on an inventory-based e-commerce model. The FDI Policy prescribes additional conditions on entities operating on an e-commerce marketplace-based model, such as prohibiting such entities from exercising ownership or control over inventory. Furthermore, under the FDI Policy, Indian companies deemed to be “owned and controlled by non-residents” are subject to certain restrictions. Any changes in the FDI policy or the existing foreign exchange regulations may significantly impact customers operating in the e-commerce and related sectors from

raising additional capital in the future, which may have direct material adverse impact on our business and operations and restrict our ability to grow our business in the future.

While we have adopted rigorous and comprehensive policies and procedures for the collection, processing, storage and other aspects of data use and privacy and have implemented the necessary measures to comply with all applicable data privacy and protection laws and regulations, we cannot guarantee the effectiveness of these policies and measures undertaken by us or business partners on our platform, particularly in light of the evolving global data protection regulatory regime. We may transfer data across jurisdictions in the ordinary course of our operations, and we may not be able to ensure compliance with all applicable data protection regulations at all times. Despite the absence of any material cybersecurity breach and our continuous efforts to comply with our internal policies as well as applicable local and international laws and regulations, any failure or perceived failure to comply with all applicable data privacy and protection laws and regulations on our part or our business partners' part, or any failure or perceived failure of our employees to comply with our internal control measures, may result in negative publicity and legal proceedings or regulatory actions against us, and could result in fines, damages, revocation of licenses, suspension of business operations or other penalties or liabilities, which may in turn damage our reputation and/or discourage current and potential customers from using our services, resulting in a material adverse effect on our business and results of operations.

We are required to obtain and maintain a number of statutory and regulatory licenses and approvals. While we have obtained the necessary licenses and approvals required for our operations, certain approvals for which we have submitted applications are currently pending. For example, our Company's application for registration under the Carriage by Road Act, 2007 is currently pending. In addition, we may apply for additional licenses and approvals in the ordinary course of our business, including renewing certain approvals which may expire from time to time. For instance, we periodically apply for renewal of registration under the respective state-wise shops and establishments legislations, which expire in the ordinary course of business. As of June 30, 2021, we have leased 2,473 properties for our Facilities. Our lease and license agreements typically require our landlords to obtain the approvals in relation to environmental clearances, approvals from local authorities, no objection certificates pertaining to fire safety and certificates for change in land use ("**CLU**"), among others. Any failure by our landlords to obtain such approvals or renew them could adversely impact our business and operations and may expose us to regulatory liability. To operate facilities, we are required to obtain approvals and licenses from the relevant governmental and other local authorities, including registration under the respective state-wise shops and establishments legislations, ("**S&E Registrations**"). We are required to periodically renew such approvals. For example, our S&E Registrations are valid for one year to a lifetime, depending on the relevant state and the number of employees employed in the relevant facility. We have applied for various S&E Registrations, which are currently pending. For a detailed description of our licenses and approvals and pending applications for licenses and approvals, see "**Government and Other Approvals**" on page 492.

While we have applied for certain approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we are unable to obtain, maintain or renew all necessary licenses and approvals required for our continued operations, we could be penalised, either in the form of fines, or in some cases, through the suspension of our approvals, licenses or registrations. Such events may affect our ability to continue operating our business and thereby, our results of operations. Our failure to obtain or renew licenses and approvals could also affect our ability to claim under our insurance policies. Furthermore, our current business activities and any future development and expansion into new areas could also raise new regulatory issues and licensing requirements.

Some of the licenses and approvals that have been issued to us contain certain conditions and restrictions and we cannot assure you that we will be able to continuously meet such conditions. Failure to comply with such terms and conditions may result in the cancellation, revocation or suspension of the relevant licenses or approvals. We may also become subject to regulatory enforcement, fines, penalties or additional costs. Any of the foregoing could result in the interruption of all or some of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations.

Failure to comply with the laws and regulations applicable to our business could subject us to inspection, regulatory audit and enforcement actions by the relevant authority, suspension and revocation of the relevant license or approval, fines, confiscation of income, civil penalties including payment of damages to the aggrieved party, criminal penalties including payment of fines and imprisonment of concerned directors or employees, and mandatory conciliation and mediation with the aggrieved party. We could also be required to discontinue our business. Such events could adversely affect our business, results of operations, financial condition, cash flows or reputation. Any non-compliance on our part that results in a customer's non-compliance with applicable laws and regulations could also adversely affect our customer relationships. In addition, responding to any action or litigation



may result in a diversion of our management's attention and resources and an increase in professional fees and compliance costs.

Our network partners, fleet partners and manpower agencies are also regulated by various Indian laws and regulations, including local administrative rulings, orders and policies that are pertinent to their localised delivery business. For example, local regulations may specify the models or types of vehicles to be used in parcel pickup and delivery services or require network partners to implement heightened parcel safety screening procedures, which could materially drive up the operating costs and delivery efficiency of the pickup and delivery outlets. Failure on their part to comply with applicable laws or regulations could result in inspection, audit and enforcement actions by government authorities or the discontinuation of their business, any of which could adversely impact the quality of the services provided to us, and in turn, adversely affect our business operations and customer experience.

The lease agreements for the trucks leased by us obligate us to be the principal employer for the manpower hired to drive the trucks. We are required to comply with labour regulations in relation to the truck drivers hired by us for our operations, including regulations regarding payment of wages, insurance and liability for injuries suffered during the course of employment. We are required to register under the Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") to contract with our temporary workforce, including our truck drivers. Additionally, per the CLRA, we are considered the principal employer of our contracted workforce, and are hence liable to pay minimum wages and other statutory payments in the event of a failure by our fleet partners or manpower agencies to pay wages due to the contracted workforce, which could in turn increase our operating costs.

***11. We face risks associated with shipments handled and transported through our network and risks associated with transportation and cash-on-delivery, which may not be fully covered by our insurance policies.***

We handle a large volume of shipments through our network, and may face challenges with respect to the timely delivery, protection and inspection of these shipments. Shipments in our network may be delayed, stolen, lost or damaged, with fragile packages being particularly prone to damages, and we may face actual or alleged liability for such incidents. In addition, we may in the future fail to detect unsafe or prohibited or restricted items as we typically rely on customer declarations to determine the nature and value of shipments. Unsafe or illegal items processed and transported by us, such as flammables and explosives, toxic or corrosive items and radioactive materials, may damage other parcels in our network, injure their recipients, harm our personnel or result in property damage or violations of applicable laws and regulations. Failure to prevent illegal, prohibited or restricted items from entering our network may result in administrative or criminal penalties as well as civil liability for personal injury and property damage. Furthermore, any of the foregoing could result in litigation, a deterioration in customer satisfaction and insurance claims, and the repeated occurrence of any such events could cause us to lose customers.

Furthermore, the transportation of shipments involves inherent risks, particularly in light of the large number of vehicles and personnel involved in our transportation operations, including risks associated with transportation safety. For example, our and our network partners' and fleet partners' vehicles and personnel may be involved in traffic accidents from time to time, resulting in personal injury and loss or damage to shipments carried by them. In addition, frictions or disputes may occasionally arise from the direct interaction of such personnel with parcel senders and recipients, which may result in personal injury or property damage if such incidents escalate. Our insurance policies may not fully cover the damages caused by transportation-related injuries or losses, and to the extent any uninsured risks materialise, our business, results of operations, cash flows and financial condition could be materially and adversely affected. Any accidents or incidents involving our vehicles, whether or not we are fully insured for such loss or held liable, could negatively affect our reputation among customers and the public, and thereby our competitiveness. We may face difficulties obtaining insurance policies in the future or may be unable to obtain insurance on commercially reasonable terms.

Our agreements with our customers typically require us to pay compensation or liquidation damages to our customers for any damage, loss, destruction or theft of the shipment in accordance with the terms set out in the relevant customer contracts. Our customer contracts also require us to indemnify our customers with respect to (i) any wrongful or negligent act on our part or any person engaged by us for provision of delivery services, (ii) any breach of our obligation under such contracts, and (iii) any third party action or claim made against the customer, by reason of any action undertaken by us pursuant to our obligations under such contracts. Such claims made against us by our customers, for which we are not insured, may have material adverse impact on our reputation, financial condition and cash flows.

Our agreements with our customers provide for payments by their customers through a variety of methods, including online payments through credit cards, debit cards, net banking and UPI, as well as cash on delivery. Cash on delivery is a preferred method of payment for online purchases in India. We are subject to the risk that an end consumer may

not plan appropriately for payment and the purchase will have to be returned. We are subject to the risk of fraudulent activity associated with cash on delivery, such as payment with counterfeit currency. We also face the risk of employee and contractor fraud, where employees or contractors may embezzle the cash following collection from customers or our personnel may embezzle the cash deposited at our facilities. This risk is particularly pronounced during the festive seasons, weekends and bank holidays, and we are unable to deposit the cash, resulting in higher amounts of cash at our facilities. While we maintain insurance coverage for embezzlement, our insurance does not cover the full amount of the loss and we may be required to repay a portion of the amount to our customers out-of-pocket. As such, any thefts or embezzlements would adversely affect our financial performance.

Moreover, while GST is required to be borne by our customers, our customers may fail to fully pay the applicable tax. In such cases, when the goods come into our possession and such customers fail to pay the applicable GST or penalties, we may become liable for such payments. Such losses may not be recoverable from the customers.

Any of the foregoing could disrupt our services, cause us to incur substantial expenses and divert the time and attention of our management. We may face claims and incur significant liabilities if found liable or partially liable for any injuries, damages or losses. Claims against us may exceed the amount of our insurance coverage or may not be covered by insurance at all. Government authorities may also impose significant fines on us or require us to adopt costly preventive measures. Furthermore, if our services are perceived to be unsafe by our end customers, customers or business partners, our business volume may be significantly reduced, and our business, financial condition, cash flows and results of operations may be materially and adversely affected.

***12. The ongoing COVID-19 pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations.***

The outbreak of the COVID-19 pandemic in India and internationally has resulted in significant disruptions and distortions in the global economy. In response to the COVID-19 pandemic, the governments of many countries, including India, have taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. In India, the lockdowns led to temporary closures of businesses and retail outlets. The resurgence of COVID-19 in India in April 2021 led to further lockdowns in various regions of India and another temporary closure of various businesses. While lockdowns are being progressively relaxed, the scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe.

On March 14, 2020, India declared COVID-19 a “notified disaster” and announced the imposition of a nationwide lockdown on March 24, 2020. Businesses and retail outlets were temporarily closed. During the lockdown, only essential goods were permitted to be transported, while transportation of non-essential goods was prohibited. As our business mostly depends on the transportation of non-essential goods, our shipment volumes decreased significantly during the lockdown periods. We experienced a decline in shipment volumes in our express parcel service from 73.47 million parcels in the three months ended December 31, 2019 to 52.60 million parcels and 40.18 million parcels in the three months ended March 31, 2020 and June 30, 2020, respectively. During the second wave of the COVID-19 outbreak in India, our shipment volume for PTL freight services decreased from 138,269 tonnes in the three months ended March 31, 2021 to 106,245 tonnes in the three months ended June 30, 2021, respectively.

We have adapted our business practices to help protect the health and safety of our employees, our customers and the communities in which we participate from the virus. These measures include setting up hand sanitizers at entrances and exits at every gateway, using thermal scanners, minimizing in-person contacts within and outside the logistics facilities and implementing social distancing policies. We also stagger shifts and break times to reduce contact among workers. Given the evolving situation, there is no certainty that the measures we have taken will be sufficient to mitigate the risks posed by the pandemic.

As a result of the detection of new strains of virus and subsequent waves of COVID-19 infections in several states in India and various parts of the world, we may be subject to further lockdowns or other restrictions, which may adversely affect our business operations. We have assessed the recoverability of assets, considering internal and external information. While we have performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, expect to recover the carrying amount of these assets, the impact of the COVID-19 pandemic may be different from that estimated. The extent to which the COVID-19 pandemic impacts our business, results of operations, cash flows and financial condition will depend on developments that continue to be highly uncertain and difficult to predict, including, but not limited to, the duration and spread of the pandemic, its severity, government and regulatory actions to contain the virus or treat its impact, the availability, distribution and efficacy of vaccines, the impact of the pandemic on the business of shippers, truckers and other ecosystem



participants and how quickly and to what extent normal economic and operating conditions can resume. We will continue to closely monitor any material changes to future economic conditions. However, while we continue to assess the impact from the COVID-19 outbreak, we are unable to accurately predict its full impact on our business, results of operations, financial position and cash flows due to the aforementioned uncertainties. In addition, our existing insurance coverage may not provide full protection against all eventualities.

**13. *Our past growth rates may not be indicative of our future growth, and if we are unable to maintain our culture of innovation, adapt to evolving customer demands and market trends, manage our growth or execute our strategies effectively, our business, financial conditions, cash flows and prospects may be materially and adversely affected.***

We have experienced significant growth in recent years. Our revenue from contracts with customers grew by 68.12% from Fiscal 2019 to Fiscal 2020, and 31.14% from Fiscal 2020 to Fiscal 2021. While our business has grown rapidly in recent years, our past growth rates may not be indicative of our future growth. We experience seasonality in our business, mainly reflecting the seasonality patterns associated with e-commerce, as well as holidays and festive periods in India. When e-commerce marketplaces hold special promotional campaigns, we typically observe peaks in shipment volume following these campaigns such that the third quarter of a fiscal year has historically been our largest quarter by volume in our express parcel business. Our consumer-durable customers experience peaks in demand in the months preceding summer. Similarly, our PTL business experiences surges in volume towards the end of each quarter. Our financial condition, cash flows and results of operations for future periods may continue to fluctuate. As a result, our results of operations and the trading price of our Equity Shares may fluctuate from time to time due to seasonality.

Seasonality also makes it challenging to forecast demand for our services, as volumes can vary significantly and unexpectedly. We make planning and spending decisions, including capacity expansion, procurement commitments, personnel hiring and other resource requirements based on our estimates of demand. Failure to meet demand associated with the seasonality in a timely manner may adversely affect our business, financial condition, cash flows, results of operations and prospects. Comparing our operating results on a period-to-period basis may not be meaningful and you should not rely on our historical results as an indication of our future performance as our fast growth in the past may have masked the seasonality that might otherwise be apparent in our results of operations. Our results of operations in future periods may not meet our expectations, which could cause the price of our Equity Shares to decline.

While we plan to further expand our network and service offerings in response to increasing customer and consumer needs, such as through further expansions of our cross-border services, geographic expansions or through strategic acquisitions, our efforts to continue and effectively manage our expansion may not be as successful as anticipated. Even if we are able to expand our network as planned, we may not be able to continue to integrate and optimise a larger network. Our expansion is subject to many risks and uncertainties, including, but not limited to: (i) the growth and development of the integrated logistics market in India, including increased competition from existing and new competitors; (ii) the development of our businesses in accordance with our projected costs and within our estimated time frame; (iii) our delivery of commercially viable services based on new business processes or technologies; (iv) our ability to expand our customer base and successfully complete and integrate strategic acquisitions and (iv) evolving economic and political environment.

In addition, as customer preferences and demands are continuously changing, we may not be able to successfully anticipate or effectively respond to such changes. We make planning and spending decisions, including capacity expansion, personnel hiring and procurement of other resources based on our estimates of customer demand. The shipment volume we generate from customers can vary significantly and unexpectedly, deviating significantly from previously forecasted estimates. In particular, we may potentially experience capacity and resource shortages in fulfilling customer orders during peak seasons of e-commerce consumption or following special promotional campaigns on e-commerce platforms, or other significant fluctuations in volumes in our network. See “—*Our results of operations are subject to seasonal fluctuations.*” While we have been increasing the capacity of our delivery network, with our peak daily parcel pick-up volume increasing from 0.80 million parcels in Fiscal 2019 to 2.14 million parcels by September 2021, there is no assurance that we will be able to meet sudden peaks in demands. We may experience a shortage or surplus in our delivery capacity if our expansion fails to accurately and timely match changes in consumer demand.

Our anticipated future growth will likely place significant demands on our management and operations. Our success in managing our growth will depend, to a significant degree, on the ability of our executive officers and other members of our senior management to carry out our strategies effectively, and our ability to adapt, improve and

develop our financial and management information systems, controls and procedures. In addition, we will likely have to successfully recruit, train and manage more employees and improve and expand our sales and marketing capabilities. If we are not able to manage our growth or execute our strategies effectively due to any of the foregoing reasons, our expansion may not be successful, and our business and prospects may be materially and adversely affected.

**14. *Our business depends on the continuing efforts of our management team.***

We believe our experienced management team has been critical to our success and business growth. Our success depends on the continuing efforts, effectiveness and talent of our management team, particularly the executive officers and senior management named in this Draft Red Herring Prospectus, as well as those of our employees, particularly those in operations, commercial, technology, product development, network design, engineering and finance and accounting.

If one or more of our management team members are unable or unwilling to continue their employment with us, we may not be able to replace them in a timely manner or at all. We may incur additional expenses to recruit and retain qualified and experienced professionals as replacements. The loss of certain members of our management team may result in, among others, a loss of organisational focus and/or an inability to identify and execute strategies. Our business may be severely disrupted and our financial condition, cash flows and results of operations may be materially and adversely affected. In addition, while certain of our employment contracts with members of the management team include a non-compete clause, our management may join a competitor or form a competing company. While we have implemented remuneration and incentive frameworks, these employment agreements do not ensure the continued service of our management and key personnel. Our business, financial condition, cash flows, prospects and results of our operations may be negatively affected following the loss of one or more members of our management team.

**15. *Delays or defaults in payment by our customers or the tightening of payment periods to our suppliers could affect our cash flows and may adversely affect our financial condition and operations.***

We extend credit to certain customers, with non-prepaid customers typically receiving credit terms of up to 90 days. We may not be able to recover all of the outstanding amounts in part or in full or some of the outstanding amounts at all. We have and may continue to have high levels of outstanding receivables. For Fiscals 2019, 2020 and 2021, our trade receivables were ₹2,146.50 million, ₹6,013.31 million and ₹5,945.82 million, respectively, accounting for 12.66%, 20.12% and 15.49% of our total income for Fiscals 2019, 2020 and 2021, respectively. For Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021, our average outstanding receivable days were 47 days, 79 days, 60 days and 47 days, respectively. Thus, if there are any delays or defaults in customer payments, or if trade accounts receivables increase in proportion to our total revenue, it could negatively affect our cash flows and consequently affect our financial condition, cash flows and operations. While we may take appropriate action in the event of a non-payment of receivables, we may not be successful in recovering all of the outstanding amounts owed to us in part or in full, which in turn could adversely affect our cash flows, financial condition and operations.

Furthermore, we typically make payments to our suppliers, including network partners, fleet partners and manpower agencies within two months of receiving the invoice. Any tightening of the payment terms by our suppliers could result in a corresponding reduction in our cash flows, which could adversely affect our financial condition, cash flows and operations.

**16. *We have made, and may need to continue to make, substantial capital expenditures to fund our business operations and expansion, and we will face risks that are inherent to such investments, including the ability to obtain additional capital when needed, on satisfactory terms or at all.***

Although we operate with an asset-light business model, we may be required to make substantial capital expenditures in the future to fund our expansion, construct facilities and upgrade our physical and technology infrastructure in connection with the growth of our business. We had total additions during the Fiscal 2019, 2020 and 2021 in computers/ servers, office equipment, furniture and fixtures, vehicles, plant and equipment and leasehold improvements of ₹1,488.70 million, ₹2,077.75 million and ₹1,610.99 million respectively. To facilitate our future expansion and the development of our business, we may need to make substantial additional capital expenditures on improving and upgrading our network facilities and software infrastructure, purchasing property, plant and equipment, funding leasehold improvements at our sorting centres, gateways, distribution centres, intermediate processing centres, returns processing centres, service centres, fulfilment centres and warehouses, expanding such logistics facilities or setting up new facilities and funding the leasing or purchase of transportation fleets.

We may not have the resources to fund such investments. We have historically met our cash requirements by relying principally on cash flows from operations, equity capital raising and credit facilities. Following the Offer, we expect to rely on our current cash balance, cash flows from operations and existing credit facilities, and may also arrange for longer term financing if needed to support our growth. If our cash resources are insufficient to satisfy our cash requirements, we may seek to issue additional equity or debt securities or obtain new or expanded credit facilities. However, we cannot assure you that we will have sufficient cash flows from our operations or that we will be able to obtain third-party financing, when needed, on satisfactory terms or at all.

Our ability to obtain adequate financing at reasonable costs depends on a number of factors, many of which are beyond our control, including general economic and capital market conditions, political uncertainties, interest rates, credit availabilities from banks or other lenders, investors' confidence in us and/or the industry in which we operate, our operating and financial performance, as well as any legal and regulatory restrictions. Incurring indebtedness would also subject us to increased debt service obligations and could result in operating and financial covenants that would restrict our operations, such as limitations on our ability to pay dividends, requirements to dedicate a portion of our cash flow from operations towards the payment of debt and limitations on our ability to engage in any mergers or demergers or enter into financing arrangement with other financial institutions. Our ability to access international capital and lending markets may be restricted at a time when we would like, or need, to do so, especially during times of increased volatility and reduced liquidity in global financial markets and stock markets, including due to policy changes and regulatory restrictions, which could limit our ability to raise funds.

If we fail to obtain sufficient capital resources, we may be unable to complete future expansions or we may be unable to undertake new developments in a timely manner or at all. Any failure to raise needed funds on terms favourable to us, or at all, may impact our liquidity as well as have a material adverse effect on our business, cash flows, financial condition and results of operations. As a result, our business development, if any, will be curtailed until such time when we are able to obtain additional capital resources, and our business, financial condition, cash flows, results of operations and prospects could be materially and adversely affected.

Even if we have sufficient funding, infrastructure that best suits our needs may not be available at reasonable prices or at all. In addition, the return on the investments we make may be lower, or may be realised more slowly, than expected. We may experience cost overruns which can arise due to various factors, such as delays in the supply of equipment from suppliers, a change in our equipment specifications, shortages of key components, unavailability of personnel required to install the equipment or delays in regulatory approval, which would lower returns on investments and increase our operating costs. Furthermore, our continued investment in our logistics infrastructure may put us at a competitive disadvantage against competitors who spend less on these assets but focus more on improving other aspects of their business that are less capital intensive.

***17. All of our logistics facilities are leased and some of our lease agreements may have certain irregularities. Failure to renew our leases or to locate desirable alternatives for our facilities could materially and adversely affect our business.***

We operate our business with an asset-light model. We lease our network infrastructure and as of June 30, 2021, we operate over 15.15 million square feet of leased infrastructure (including Spoton). The majority of the leases entered into by us with respect to our delivery centres and warehouses are short-term leases ranging up to 12 months whereas the leases for our mega gateways are long-term leases (i.e. more than one year and up to nine years). Periodic renewals of short-term leases may increase our costs as they are subject to rent renegotiations. Further, if we are required to relocate any of our gateways or network infrastructure as a result of any termination or non-renewal of our leases, we may incur additional cost as a result of such relocation, and our ability to service our customers at such new locations may also be adversely impacted.

The lease agreements entered by us include a lock-in period ("**Lock-in Period**"), which in certain cases, lasts up to three years. During the relevant Lock-in Period, we are restricted from exercising our right to terminate the lease. Any decision to discontinue operations on such leased premises would nonetheless require us to continue fulfilling our obligations under the lease agreements, such as paying rent for the remainder of the Lock-in Period, which could adversely affect our financial condition and cash flows. Further, we lease our Registered Office and Corporate Office. If we are unable to renew the agreements pursuant to which we occupy the premises on terms and conditions acceptable to us, or at all, we may have to relocate our Registered Office and Corporate Office.

Furthermore, some of our lease agreements require us to obtain consent from the lessors before undertaking certain actions, such as altering the leased facilities, changing our constitutional documents or changing our use of the leased premises. Failure to obtain consent from the lessors could result in the termination of the lease agreements.

In addition, lease agreements are required to be duly registered and adequately stamped under Indian law and if one of our lease agreements is not duly registered and adequately stamped, we may face challenges in enforcing them and they may be inadmissible as evidence in a court in India subject to penalties along with the requisite stamp duty prescribed under applicable Indian law being paid.

The above factors may affect our ability to renew our lease agreements or result in us being required to enter into an agreement for a new facility, consequently causing business disruptions. This may affect our business, financial condition, cash flows and result of operations.

***18. Our business generates and processes a large quantity of confidential customer data. Failure to protect our customers' or end consumers' data through improper handling or unauthorised access could damage our reputation and substantially harm our business and results of operations.***

We have access to a large amount of confidential information in our day-to-day operations. We face risks inherent in handling and protecting the large amount of data that our business generates and processes from the significant volume of transactions on our platform. Such data includes sensitive personal information. Each waybill contains the names, addresses, phone numbers and other contact information of the sender and recipient of a shipment. The content of the shipment may also constitute or reveal confidential information. For example, we provide secure delivery of documents, debit cards and credit cards for banks and financial institutions. The proper use and protection of confidential information in accordance with applicable laws and our customer contracts are essential to maintaining customer trust in us and our services.

Security breaches and hacker attacks on our system might result in a compromise to the technology that we use to protect confidential information. We may not be able to prevent third parties, especially hackers or other individuals or entities engaging in similar activities, from illegally obtaining confidential information in our possession. Such individuals or entities may engage in various other illegal activities using such information, such as seeking a ransom from us. For instance, in 2021, we discovered a potential data leak, which we believe pertains to data from 2015-2016. This data breach does not relate to sensitive financial information and such information is currently not active in our systems. While we have undertaken corrective procedural and technical measures, we cannot assure you that such data leak and breaches may not occur in the future. Furthermore, as parcels move through our network from pickup to delivery, a large number of personnel handle the flow of parcels and have access to significant amounts of confidential information. Some of these personnel may misappropriate the confidential information despite the security policies and measures we have implemented. In addition, most of the delivery and pickup personnel are not our employees, which makes it more difficult for us to implement sufficient and effective control over them.

In particular, we face risks relating to compliance with applicable laws, rules and regulations relating to the collection, storage, use, sharing, disclosure, protection and security of personal information, as well as requests from regulatory and government authorities relating to such data. These laws, rules, and regulations evolve frequently and their scope may continually change, through new legislation, amendments to existing legislation, and changes in enforcement. In addition, many laws and regulations relating to privacy and the collection, storing, sharing, use, disclosure, and protection of certain types of data are subject to varying degrees of enforcement and new and changing interpretations by courts or regulators. Several jurisdictions have implemented new data protection regulations and others are considering imposing additional restrictions or regulations. For example, with the proposed enactment of the Personal Data Protection Bill, 2019 (“**PDP Bill**”), and the ongoing regulatory discussions to govern non-personal data, the privacy and data protection laws are set to be closely administered in India, and we may become subject to additional potential compliance requirements. The PDP Bill proposes a legal framework governing the processing of personal data, where such data has been collected, disclosed, shared or otherwise processed within India, as well as any processing of personal data by the GoI, Indian companies, Indian citizens or any person or body of persons incorporated or created under Indian law. The PDP Bill defines personal data and sensitive personal data, prescribes rules for collecting, storing and processing of such data and creates rights and obligations of data-subjects and processors. The Indian Government has also been mooting a legislation governing non-personal data. In September 2019, the Ministry of Electronics and Information Technology formed a committee of experts (“**NPD Committee**”) to recommend a regulatory regime to govern non-personal data (“**NPD**”). The NPD Committee has released two reports till date, which recommend, among other items, a framework to govern NPD (defined as any data other than personal data), access and sharing of NPD with government and corporations alike and a registration regime and for “data businesses”, being business that collect, process or store data, both personal and non-personal. Changes in laws or regulations relating to privacy, data protection, and information security, particularly any new or modified laws or regulations, or changes to the interpretation or enforcement of such laws or regulations, that require enhanced protection of certain types of data

or new obligations with regard to data retention, transfer, or disclosure, could require us to modify our existing systems or invest in new technologies to ensure compliance with such applicable laws, which may require us to incur additional expenses.

Any failure or perceived failure by us to prevent information security breaches or to comply with privacy policies or privacy-related legal and contractual obligations could cause our customers to lose trust in us and our services. We could be subject to monetary and legal liabilities as a result of such breaches. Any perception that the privacy of information is unsafe or vulnerable when using our services, could damage our reputation and substantially harm our business.

***19. We may fail to successfully enter necessary or desirable strategic alliances or make acquisitions or investments, and we may not be able to successfully integrate acquisitions or achieve the anticipated benefits from these alliances, acquisitions or investments we make.***

As part of our growth strategy, we may seek strategic alliances with global and domestic leaders in various segments of the logistics industries that bring synergies to our business, as well as high-quality acquisition opportunities within and outside India that are complementary to our business or that enable us to build new and valuable capabilities for our customers. For example, on February 27, 2019, we entered into an asset purchase agreement with Aramex India Private Limited for the purchase of their fixed assets, equipment, property, contracts (including customer contracts, manpower contracts and vendor contracts), licenses, customers and employees, to further expand our supply chain and logistics business. The asset transfer was completed on March 25, 2019. On February 20, 2021, we and our subsidiary, Delhivery USA LLC, entered into an asset purchase agreement with Primaseller Inc. (“**Primaseller**”) and its founders to purchase Primaseller’s business of providing inventory and order management through web services, along with all associated rights, titles and interest in intellectual property, among others. The asset transfer was completed on February 22, 2021. On July 15, 2021, we entered into an asset purchase agreement with FedEx Express Transportation and Supply Chain Services (India) Private Limited (“**FedEx**”) and TNT India Private Limited (“**TNT**”) to acquire from FedEx certain assets, facilities and customer contracts (subject to obtaining customer consent) to the extent that such contracts relate to FedEx’s business of providing domestic express services (i.e., domestic express parcel and PTL freight services, but excluding domestic freight transport services provided as part of freight forwarding business, warehousing services, or the special services provided by TNT for cold-chain or healthcare express services in India), within India. Our acquisition of FedEx’s assets remains subject to the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval. We may not obtain the necessary approvals or be able to complete our acquisition of such assets. In August 2021, we acquired our Material Subsidiary, Spoton Logistics Private Ltd (“**Spoton**”), an express PTL freight service provider in India. For more details, see “*History and Certain Corporate Matters—Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years.*”

Strategic alliances with third parties could subject us to a number of risks, including risks associated with the sharing of proprietary information, non-performance or default by counterparties, increased expenses in establishing these new alliances, and disputes with our strategic partners, any of which could materially and adversely affect our business. We may have limited ability to control or monitor the actions of our strategic partners. To the extent a strategic partner suffers any negative publicity as a result of its business operations, our reputation may also be negatively affected by virtue of our association with such party.

The strategic acquisition and subsequent integration of new businesses is likely to require significant managerial and financial resources and could result in a diversion of resources from our existing business, including the time and attention of our management, which in turn could have an adverse effect on our growth and business operations. We may not be able to successfully consummate new investments or acquisitions, integrate acquired business and assets or assimilate the operations and personnel of the acquired businesses. We may not be able to provide timely and effective training to employees of the acquired companies or may fail to maintain uniform standards, procedure and policies across our businesses. Such difficulties may impair our relationship with our existing and new employees and may impact our relationship with customers. We may fail to realise the synergies or projected operational and financial benefits we anticipated at the time of acquisition or fail to achieve the strategic purpose for the acquisition. Acquired businesses or assets may not generate the financial results we expect and may be loss making over time. The cost and duration of integrating newly acquired businesses could also materially exceed our initial estimates. Regulatory constraints, particularly anti-trust regulations, could affect our ability to maximise the value of our acquisitions and investments or prevent us from consummating investments or acquisitions. Acquisitions may result in dilutive issuances of equity securities or the incurrence of debt. Any such negative

developments could have a material adverse effect on our business, financial condition, cash flows and results of operations.

**20. *Our Pro Forma Financial Statements may not be indicative of our actual results of operations and financial position for such periods or as of such dates, or of expected results of operations in future periods or our future financial position.***

Given that our acquisition of Spoton was consummated after June 30, 2021, the Restated Financial Statements included in this Draft Red Herring Prospectus as at and for the three months ended June 30, 2021, and the Fiscal Years ended March 31, 2021, March 31, 2020 and March 31, 2019 do not account for the impact of the acquisition of Spoton on our financial position. As required by the SEBI ICDR regulations, we have thus included in this Draft Red Herring Prospectus, the Pro Forma Financial Statements as of March 31, 2021 and June 30, 2021 and for Fiscal 2021 and the three months ended June 30, 2021. The Pro Forma Financial Statements illustrates the impact of the Spoton acquisition on our financial position as at March 31, 2021 and June 30, 2021 as if the acquisition happened on March 31, 2021, and as of June 30, 2021 and on our results of operations for the year ended March 31, 2021 and for the three months period ended June 30, 2021 as if the acquisition took place on April 1, 2020 and April 1, 2021, respectively. As such, the Pro Forma Financial Statements may not necessarily be indicative of what our actual results of operations and financial position would have been for such periods or as of such dates, nor are they intended to be indicative of expected results of operations in the future periods or our future financial position. As the Pro Forma Financial Statements is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of the actual financial results that would have occurred had such transactions by us been effected on the dates they are assumed to have been effected, and is accordingly not intended to be indicative of our future financial performance. For example, in connection with the acquisition, we may incur certain costs, which could also cause such Proforma Consolidated Financial Information to not be reflective of our future performance. If the various assumptions underlying the preparation of the Pro Forma Financial Statements do not come to pass, our actual results could be materially different from those indicated in the Pro Forma Financial Statements. Accordingly, the Pro Forma Financial Statements included in this Draft Red Herring Prospectus is not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company or a substitute for our past results, and the degree of reliance placed by investors on our Pro Forma Financial Statements should be limited. In addition, the Proforma Consolidated Financial Information have not been prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India, such as Regulation S-X under the U.S. Securities Act of 1933, as amended, and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices of any other jurisdiction. Further, in the Proforma Consolidated Financial Statements, the goodwill and other acquisition related adjustments computed in case of acquisition of Spoton is based on purchase price allocation (“PPA”) available with us as at March 31, 2021 and June 30, 2021 assessed on a provisional basis. The final PPA will be determined when we have completed detailed valuations and necessary calculations. The final allocation could differ from the provisional allocation used in proforma adjustments. The final allocation may include (i) changes in fair values of property, plant and equipment, (ii) changes in allocations to specified intangible assets as well as goodwill and (iii) other changes to assets and liabilities. For further details, see “*Proforma Financial Statements*” on page 297.

While Spoton’s Special Purpose Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, (Ind AS compliant Schedule III), as applicable to the Special Purpose Consolidated Financial Statements, they are not required to and have not been restated in accordance with the SEBI ICDR Regulations. These Special Purpose Consolidated Financial Statements have been prepared in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) after considering the transition date of April 1, 2020. However, these Special Purpose Consolidated Financial Statements do not include certain disclosures which would have otherwise been required for general purpose consolidated financial statements. These Special Purpose Consolidated Financial Statements omits disclosures such as transition date balance sheet, comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013. Please see “—*External Risks—Risks Relating to India—Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows*” on page 59.

**21. *We have a history of losses and negative cash flows from operating, investing and financing activities and we may continue to experience losses and negative cash flows in the future as we anticipate increased expenses in the future.***



We incurred restated losses for the year/period of ₹17,833.04 million, ₹2,689.26 million, ₹4,157.43 million and ₹1,295.80 million in Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021, respectively. We had fair value loss on financial liabilities at fair value through profit or loss of ₹14,806.64 million, ₹91.95 million and ₹320.12 million in the Fiscals 2019 and 2021 and the three months ended June 30, 2021, respectively. We have also incurred negative cash flows from operating, investing and financing activities in some of the years/periods during past fiscal years and the three months ended June 30, 2021. The following table sets forth net cash inflow/(outflow) from operating, investing and financing activities for Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021:

	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three Months Ended June 30, 2021
				(in ₹ million)
Net cash flow (used in)/ from operating activities	(2,426.84)	(6,339.06)	47.69	(1,697.02)
Net cash flow (used in)/ from investing activities	(9,394.36)	(9,325.45)	3,382.92	(18,813.87)
Net cash flow from/(used in) financing activities	28,584.21	(166.87)	(1,466.99)	19,420.43

For details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 460.

We aim to provide our customers with competitively priced service offerings that help drive the growth of their business, and in turn, the volume of their business with us. As we continue to improve our cost efficiencies, we may pass on such cost reductions to our customers in the form of lower prices. As such, we have and may continue to experience limited profit margins on our service offerings, which may contribute to our losses and negative cash flows.

We typically pay our network partners, fleet partners and manpower agencies within 60 days from the date we are invoiced, while we offer our customers with payment terms of up to 90 days. This billing practice has contributed and may contribute to our negative cash flows.

We also expect our costs to increase over time and our losses and negative cash flows may continue given the investments expected to be made to grow our business and logistics infrastructure, enhance our supply chain capabilities, develop and launch new solutions and service offerings, expand our customer base in existing markets, penetrate new markets and continue to innovate on our technological platform. We have expended and expect to continue expending substantial financial and other resources on technological investments, infrastructure and our team, among other initiatives. In addition, when we become a listed company, we will incur significant additional legal, accounting and other expenses. These efforts may be more costly than we expect and may not result in increased revenue or growth in our business. Any failure to increase our revenue sufficiently to keep pace with our investments and other expenses could prevent us from achieving profitability or positive cash flow on a consistent basis. Further, under Ind AS, any grant of ESOPs under ESOP Schemes results in a charge to our profit and loss statement based on the fair value of the ESOPs at the date when the grant is made and such expenses reduce our profitability to that extent for the relevant financial year. For details of our outstanding ESOPs, see “*Capital Structure- Employee Stock Option Schemes*” on page 105. If we are unable to successfully address these risks and challenges or if we are unable to generate adequate revenue growth and manage our expenses and cash flows, we may continue to incur significant losses in the future, which could adversely affect our ability to, among others, fund our operations, pay debts in a timely manner or finance proposed business expansions or investments. Any of the foregoing could adversely affect our business, cash flows, financial condition and results of operations. Moreover, failure to achieve or sustain profitability on a consistent basis could cause the value of our Equity Shares to decline.

## 22. *Our insurance may be insufficient to cover all losses associated with our business operations.*

We maintain various insurance policies to safeguard against risks and unexpected events. As of March 31, 2019, March 31, 2020, March 31, 2021 and June 30, 2021, we maintained a total insurance coverage of ₹1,945.25 million, ₹2,904.46 million, ₹3,506.75 million and ₹3,614.84 million, respectively, covering 84.61%, 98.28%, 88.95% and 87.83% of our net tangible assets, respectively. While we believe that each of our facilities and transport vehicles have adequate equipment to ensure and meet necessary safety standards, certain accidents or mishaps may still occur, whether by accident or on account of our workers’ negligence in complying with prescribed safety standards.

We have therefore purchased a standard fire and special perils policy, burglary insurance policy, fire floater policy, marine cargo insurance policy, carriers legal liability insurance policy, directors and officers policy, group mediclaim policy, group personal accident insurance policy, special contingency insurance policy and machinery insurance policy. We have also purchased a package insurance policy which covers our principal offices and a logistics liability insurance policy covering any loss of money. However, insurance companies in India and other jurisdictions in which we operate may offer limited business insurance products. For example, we are not able to insure any parcels that are already covered by insurance purchased by our customers. Furthermore, insurance coverage for certain types of risks, such as insurance coverage for handling pharmaceutical and healthcare products as well as food and beverages can generally be very costly or not procurable. As a result, we may not be able to acquire any insurance for all types of risks we face in our operations in India and elsewhere.

Even if we have purchased insurance which we deemed to be appropriate and adequate, our insurance coverage may be insufficient to cover all the risks associated with our business and operations, and generally do not cover losses from business interruptions, or we may not be able to successfully claim for losses under our current insurance policies on a timely basis, or at all. Pursuant to our contracts with our customers, we typically undertake to pay a certain amount of liability per shipment, for which we may not have adequate insurance protection. Any business disruption, litigation, regulatory action, outbreak of epidemic disease, adverse weather conditions or natural disasters could expose us to substantial costs and diversion of resources.

In the case of an uninsured loss or a loss in excess of insured limits, including those caused by natural disasters and other events beyond our control, we may be required to pay for losses, damages and liabilities out of our own funds, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Even if our insurance coverage is adequate to cover our direct losses, we may not be able to take remedial actions or other appropriate measures in a timely manner or at all. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future. We may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable, in particular in case of significant increases in premium levels upon the renewal of our insurance policies. If we are unable to pass increased insurance costs to our customers, the costs of higher insurance premiums could have a material adverse effect on our costs and profitability.

**23. *Our Material Subsidiary has not been in compliance with certain provisions of the Companies Act, 2013 in the past, and cannot assure you that a compounding application filed with the Registrar of Companies, Ahmedabad in this regard will be resolved in its favour.***

Our Material Subsidiary has not been in compliance with certain requirements of the Companies Act, 2013 in the past and we cannot assure you that it will not be subject to any penalties imposed by regulatory authorities in connection with such matters in the future. 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 first filed a compounding application on August 9, 2021 with the Registrar of Companies, Ahmedabad, seeking compounding of offences punishable under Section 99 of the Companies Act, 2013, and later refiled the application on August 26, 2021 pursuant to certain observations received from the Registrar of Companies, Ahmedabad, on the original application. This compounding application is currently pending. Further, Spoton had failed to appoint company secretary under the applicable provisions of the Companies Act, 1956 and Companies Act, 2013, and has filed a compounding application and an adjudication application, each dated August 18, 2020, with the Regional Director, Ahmedabad and Registrar of Companies, Ahmedabad, respectively. Both applications are currently pending. Additionally, Spoton has not filed a Form PAS-3 with the Registrar of Companies, Ahmedabad for allotment of its equity shares to certain shareholders in Fiscal 2020. While no disputes or regulatory actions have arisen in connection with these events and no material unaccounted financial liability exist due to these events, we cannot assure you that these matters will be resolved in a timely manner or at all and that Spoton will not be subject to any penalties in the future.

**24. *Some of the corporate records pertaining to the issuance of shares and change in registered office of our Company are not traceable.***

We are unable to trace challans in respect of certain Forms-2 filed by our Company with the RoC in relation to issuance of equity shares on November 30, 2011 and January 17, 2012 and challan in respect of the Form-18 filing for change of our registered office on August 1, 2011 from B-32, Swasthya Vihar, Delhi 110 092 to F 7, Bandu Vihar Apartments, Plot No. 11, Sector 10, Dwarka, New Delhi 110 075. While it is unlikely to have a material financial impact on us, we cannot assure you that these form filings were made in a timely manner or at all. Further,



we cannot assure you that we will not be subject to any penalties imposed by the competent regulatory authority in connection with these corporate records or filings. While no disputes or regulatory actions have arisen in connection with these filings until date, we cannot assure you that no such actions will be initiated in the future.

**25. We have certain contingent liabilities which, if they materialize, may affect our results of operations, financial condition and cash flows.**

As of June 30, 2021, we had ₹345.42 million of contingent liabilities, as per Ind AS 37, mainly comprising claims against us in direct tax proceedings which are not acknowledged as debt.

	2019	As of March 31, 2020	2021	As of June 30, 2021
<b>Claims disputed by us:</b>				
Claims against the Group not acknowledged as debts:				
Tax matters on appeal: Income tax	1,835.70	1,835.70	344.92	344.92
Others	0.50	0.50	0.50	0.50

For details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations - Contingent Liabilities*” on page 482 for more information. Any or all of these contingent liabilities may crystallise and become actual liabilities. In the event that any of our contingent liabilities become non-contingent, our business, financial condition, cash flows and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future.

**26. An inability to comply with repayment and other covenants in our financing agreements may lead to, among others, accelerated repayment schedules and enforcement of security, which may adversely affect our business, results of operations, financial condition, cash flows and credit rating.**

We have entered into agreements in relation to our financing arrangements with certain banks. As of June 30, 2021, we had current borrowings of ₹1,972.05 million. The agreements with respect to our borrowings contain restrictive covenants, including, but not limited to, requirements that we obtain consent from the lenders prior to undertaking certain matters including, among others, effecting a merger, amalgamation or scheme of arrangement, change in the shareholding pattern, ownership, management, control or constitution of our Company, undertaking any expansion or investment in any other entity and amendments to our constitutional documents. For example, certain covenants relating to maintenance of financial ratios under the financing arrangements for some of existing borrowings had not been complied by our Material Subsidiary, Spoton for Fiscal 2021 (prior to being acquired by us) and no penalties were levied for such non-compliance by the lender banks.

There can be no assurance that we will be able to comply with the financial or other covenants prescribed under the documentation for our financing arrangements or that we will be able to obtain consents necessary to take the actions that may be required to operate and grow our business. Any failure to comply with the conditions and covenants in our financing agreements or the creation of additional encumbrances that is not waived by our lenders or guarantors or otherwise cured or occurrence of a material adverse event could lead to an event of default and consequent termination of our credit facilities could adversely affect our financial condition, cash flows and credit rating. If we fail to service our debt obligations, an event of default may be triggered which may lead to, among others, the imposition of penalties, conversion of debt into equity, termination of our credit facilities, acceleration of all amounts due under such facilities and/or the enforcement of any security provided. For further details, see “*Financial Indebtedness*” on page 456. If the lenders choose to enforce security and dispose our assets to recover the amounts due from us, our business, financial condition, cash flows and results of operations may be adversely affected. Moreover, any such action initiated by our lenders could result in the price of the Equity Shares being adversely affected.

**27. Our Company, our Subsidiaries and certain of our Directors are involved in certain legal proceedings. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.**

Our Company, Subsidiaries and certain of our Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. In the event of any adverse rulings in these proceedings or the consequent levying of penalties, we may need to make payments or make provisions for future payments, which may increase our expenses and current or contingent liabilities.

The summary of outstanding litigation involving our Company, our Subsidiaries and our Directors as on the date of this Draft Red Herring Prospectus have been provided below in accordance with the materiality policy adopted by our Board. As of the date of this Draft Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Company, the outcome of which could have a material impact on our Company. For details, see “*Outstanding Litigation and Material Developments*” on page 485.

Particulars	Number of Cases	Amount involved* (in ₹ million)
<b>Litigation involving our Company<sup>#</sup></b>		
Criminal proceedings	7	17.38
Material civil litigation	4	58.12
Actions by statutory or regulatory authorities	8	Nil
Direct and indirect tax proceedings	20	344.92
<b>Total</b>	<b>39</b>	<b>420.42</b>
<b>Litigation involving the Subsidiaries</b>		
Criminal proceedings	15	4.66
Material civil litigation	Nil	Nil
Actions by statutory or regulatory authorities	Nil	Nil
Direct and indirect tax proceedings	4	725.85
<b>Total</b>	<b>19</b>	<b>730.51</b>
<b>Litigation involving the Directors</b>		
Criminal proceedings	3	Nil
Material civil litigation	1	1,625.57
Actions by statutory or regulatory authorities	4	2.30
Direct and indirect tax proceedings	1	Nil
<b>Total</b>	<b>9</b>	<b>1,627.87</b>
<b>Litigation involving the Group Company</b>		
Material litigation which has an adverse impact on our Company	Nil	Nil

\* To the extent quantifiable.

<sup>#</sup>There are 42 consumer cases filed against our Company before various forums involving an aggregate amount of ₹3.87 million.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations and services, our technology and/or intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment or the vesting and exercise of ESOPs granted to them during their employment. There can be no assurance that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

28. *We rely on certain key operating metrics and non-GAAP measures to evaluate the performance of our business, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.*

We rely on certain key operating metrics, such as the number of express shipments handled and shipment volume to evaluate the performance of our business. Our operating metrics are not standardised terms, and hence may differ from estimates published by third parties or from similarly titled metrics used by our competitors due to differences in methodology and assumptions. We calculate these operating metrics using internal company data. Other companies may calculate these measures and metrics differently from us, limiting its usefulness as a comparative measure.

We track such operating metrics with internal systems and tools. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the

data we report may not be accurate. While these numbers are based on what we believe to be reasonable estimates of our metrics for the applicable period of measurement, there are inherent challenges and limitations or errors with respect to how we measure data or with respect to the data that we measure. This may affect our understanding of certain details of our business, which could affect our long-term strategies.

If we discover material inaccuracies in the operating metrics we use, or if they are perceived to be inaccurate, our reputation may be harmed, and our evaluation methods and results may be impaired, which could negatively affect our business. If investors make investment decisions based on operating metrics we disclose that are inaccurate, we may also face potential lawsuits or disputes with investors or regulators.

In addition, we have presented measures such as Adjusted EBITDA and Adjusted EBITDA margin in this Draft Red Herring Prospectus, which are not measures of financial performance or liquidity recognized under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. Our calculation of these metrics may differ from similarly titled computation of other companies, and thus, a direct comparison of these non-GAAP measures and metrics between companies may not be possible. See *“Certain Conventions, Presentation of Financial, Industry and Market Data- Non-GAAP Measures”* on page 15.

**29. *Our international operations involve risks that could increase our expenses, adversely affect our results of operations and require increased time and attention from our management.***

We provide door-to-door and port-to-port express parcel and freight shipping services to customers from India to the rest of the world and to India from other countries. This is powered by strategic, global partnerships with other leading logistics companies including Aramex. Further, pursuant to our pick-up, delivery and sales agent agreement with FedEx dated July 15, 2021 (the **“PUD Agreement”**), FedEx will provide international delivery services outside India or into India, among others, upon the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval. In addition, we are in the process of developing a direct presence in emerging markets similar to India, like the SAARC countries, through partnerships with local operators. Our strategic partnerships with other logistics companies may prove unsuccessful or fail to generate the expected business synergies, which would materially and adversely affect our growth prospects outside of India.

We may be subject to risks inherently associated with international operations. Our global operations expose us to legal, tax and regulatory requirements and violations or unfavourable interpretation by the respective authorities, which could harm our business. This might include difficulties in managing, growing and staffing international operations, including in countries in which foreign personnel are, or may become, part of labour unions, personnel representative bodies or collective agreements, which could give rise to work stoppages or slowdowns. Additional risks associated with international operations include difficulties in enforcing contractual rights, foreign currency risks, risks associated with complying with a wide variety of foreign laws and potentially adverse tax consequences, including permanent establishment and transfer pricing issues, tariffs, quotas and other barriers, potential difficulties in collecting accounts receivable and loss or theft of our intellectual property rights. In addition, we may face competition in other countries from companies that may have more experience with operations in such countries or with international operations. These factors could impede the success of our international expansion plans and limit our ability to compete effectively in other countries.

**30. *We may not be able to prevent others from unauthorised use of our intellectual property, which could harm our business and competitive position.***

We regard our patents, trademarks, copyrights, designs, domain names and other intellectual property as critical to our business and have invested significant resources to develop and patent these intellectual properties. For example, our data science team has filed patents in India and the United States, including two patents filed in India with respect to tamper free packaging boxes with perforations and interlocking flaps and tuck lock packaging boxes with perforations and interlocking flaps. We have also registered the design for a “multi format” bag in India, and registered a number of trademarks, including “Delhivery”, “Delhivery ENABLING ECOMMERCE” and “Delhivery Small”, in India and certain other jurisdictions such as Hong Kong, the United Kingdom, the United States, China and Singapore.

We rely on intellectual property laws to protect our proprietary rights. It is often difficult to register, maintain and enforce intellectual property rights in India. Statutory laws and regulations are subject to judicial interpretation and enforcement and may not be applied consistently due to a lack of clear guidance on statutory interpretation. We

may fail to restrain third parties from using brand names and trademarks that are deceptively similar to ours. For instance, the High Court of Delhi, in an order passed on October 12, 2020, held that “DELHIVERY” is a phonetically generic word that cannot be registered to benefit from statutory rights, and that there may not be any claims against use of the mark “DELIVER-E”. While the registration status of our “DELHIVERY” trademark was reaffirmed in a subsequent order passed by the High Court of Delhi on October 22, 2020, we were nevertheless unable to protect our trademark, and may in the future face similar issues in protecting our intellectual property rights.

Confidentiality agreements and license agreements may be breached by counterparties, and there may not be adequate remedies available to us for any such breach. Accordingly, any of our intellectual property rights could be challenged, invalidated or circumvented, or such intellectual property may not be sufficient to provide us with competitive advantages. Furthermore, because of the rapid pace of technological change, there can be no assurance that all of our proprietary technologies and similar intellectual property will be patented in a timely or cost-effective manner, or at all.

Policing any unauthorised use of our intellectual property is difficult and costly and the steps we have taken may be inadequate to prevent the misappropriation of our intellectual property. In the event that we resort to litigation to enforce our intellectual property rights, such litigation could result in substantial costs and a diversion of our managerial and financial resources. We may not prevail in such litigation. In addition, our intellectual property may be leaked or otherwise become available to, or be independently discovered by, our competitors. Any failure in protecting or enforcing our intellectual property rights could have a material adverse effect on our business, financial condition, cash flows and results of operations.

Further, we also use open source software to build and operate our proprietary technology and software. As a result, we could be subject to suits by parties claiming ownership of what we believe to be open source software or allegations of non-compliance with open source licensing terms. Further, any requirement to disclose our source code or pay damages for any breach of open source software license terms could be harmful to our business, financial condition, cash flows and results of operations.

**31. *Economic sanctions, anti-corruption laws and anti-money laundering laws imposed by the United States and other jurisdictions may expose us to potential compliance risks.***

Sanctions laws prohibit business in or with certain countries or governments, and with certain persons or entities that have been sanctioned by the United States or other governments and international or regional organisations, such as the United Nations Security Council. Although our primary market is India, we provide cross-border express parcel and air-freight shipping services across the SAARC region from and to anywhere in the world. In Fiscal 2021, we successfully entered the Bangladesh and Sri Lanka markets, in collaboration with local partners.

As part of our growth strategy, we intend to expand our international business, which may increase our exposure to international sanctions. For example, we may have limited control over the activities of our international business partners and investees, which may provide delivery services into jurisdictions that are subject to sanctions. Any U.S. affiliate and any U.S. employees will be subject to all U.S. economic sanctions requirements. We currently do not maintain internal controls for compliance with applicable economic sanctions, and we cannot ensure that we do not do business with sanctioned parties or provide delivery services for products for higher-risk or prohibited end-uses. We also cannot predict with certainty the interpretation or implementation of any sanction laws or policies. While we do not believe that we are in violation of any applicable sanctions or that any of our activities are currently sanctionable under applicable laws, some of our activities or the activities of our affiliates could expose us to penalties under these laws. Any alleged violations of sanctions could adversely affect our reputation, business, results of operations, cash flows and financial condition. Also, we may be subject to Foreign Corrupt Practices Act and other anti-corruption laws. Our activities in India create the risk of unauthorised payments or offers of payments by employees, consultants, agents or other business partners of our company and its affiliates. We may also be held liable under successor liability for violations committed by companies in which we invest or that we acquire.

There may be illegal conducts violating economic sanctions or anti-corruption laws within or in connection with our network. Although we have adopted protocols and disciplinary measures governing business conduct of our employees and our customers, there can be no assurance that such measures are sufficient to prevent and deter them or their personnel from violating economic sanctions or anti-corruption laws. Such conduct may include mishandling of funds or unlawful kickbacks. We also have little control over third parties involved in illegal business conducts targeted at or in connection with our network. We may incur substantial monetary losses and suffer reputational damage due to these conducts. We may even incur significant liabilities and penalties arising

from such conducts. We may also be required to allocate significant resources and incur material expenses to further prevent actions that may violate sanctions or anti-corruption laws.

Our business partners and third-party payment service providers are subject to anti-money laundering obligations under applicable anti-money laundering laws and regulations and are regulated in that respect by the RBI. If we or any of our third-party service providers fail to comply with applicable anti-money laundering laws and regulations, our reputation could suffer and we could become subject to regulatory intervention, which could have a material adverse effect on our business, financial condition, cash flows and results of operations. Such incidents could compromise our image or undermine the trust and credibility we have established.

**32. We have entered into, and will continue to enter into, related party transactions which may potentially involve conflicts of interest.**

In the ordinary course of our business, we enter into and will continue to enter into transactions with related parties. The related party transactions entered into by our Company are approved by our Audit Committee, a committee constituted by our Board by way of a resolution passed at its meeting held on October 13, 2021. We have entered into various related party transactions whose arithmetic aggregated absolute total amounts to ₹315.98 million, ₹355.70 million, ₹609.42 million and ₹209.28 million representing 1.91%, 1.28%, 1.67% and 1.59% of our revenue from contracts with customers in Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021, respectively.

The following table sets forth a summary of our related party transactions post-intercompany eliminations for the periods indicated.

Name of the Related Party	Nature of Transactions	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three Months Ended June 30, 2021
<i>(in ₹ million)</i>					
Remuneration to key management personnel	Salary and other employee benefits	227.33	260.91	382.71	193.60
Payment to non-executive directors	Fees to non-executive directors	26.40	26.40	27.00	6.52
Loan and advances to key management personnel	Loan and advances to KMP	—	—	145.4	—
Loan repayment from KMP	Loan repayment	—	—	1.00	—
Associate	Purchase of services from Leucon Technology Private Limited	62.24	68.39	53.30	9.18

For details regarding our related party transactions, see “**Other Financial Information - Related Party Transactions**” on page 455.

While we believe that all such related party transactions that we have entered into are legitimate business transactions conducted on an arm’s length basis in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and all related party transactions that we may enter into post-listing will be subject to board or shareholders’ approval, as necessary under the Companies Act and the SEBI Listing Regulations, in the interest of the Company and its shareholders and in compliance with the SEBI Listing Regulations, we cannot assure you these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Furthermore, any future transactions with our related parties could potentially involve conflicts of interest which may be detrimental to our Company. There can be no assurance that our Directors and executive officers will be able to address such conflicts of interests or others in the future.

**33. *We have issued Equity Shares during the last one year at a price that may be below the Offer Price.***

For details of Equity Shares issued during the last year, refer to “*Capital Structure – Notes to Capital Structure – History of equity share capital of our Company*” on page 88. The price at which Equity Shares have been issued by our Company in the immediately preceding year is not indicative of the price at which they will be issued or traded, and may be below the Offer Price.

**34. *Our Directors and key managerial personnel have interests in our Company in addition to their remuneration and reimbursement of expenses.***

Certain Directors and Key Managerial Personnel are interested in our Company to the extent of their respective shareholding in our Company as well as to the extent of any employee stock options, dividends, bonus or other distributions on Equity Shares. Certain Directors are also nominees of some of our shareholders. For details, please see “*History and Certain Corporate Matters — Shareholders’ Agreements*” on page 194. For details on the interests of our Directors and key management personnel, see “*Our Management—Interests of Directors*” and “*Our Management—Interests of Key Managerial Personnel*” and on pages 207 and 215.

**35. *We do not own our registered office premises or our corporate office premises and if our rights over these leasehold properties are revoked, our business operations may be disrupted.***

We do not own the premises on which our registered office (N24-N34, S24-34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, Indira Gandhi International Airport, New Delhi – 110037, India) and corporate office (Plot 5, Sector 44, Gurugram – 122002 Haryana, India) are situated. Our registered office has been leased for a four-year period effective from June 1, 2018 to May 31, 2022, while our corporate office has been leased for a nine-year period effective from June 1, 2015 to May 31, 2024. If these lease deeds are terminated prior to the completion of their respective terms, we may suffer a temporary disruption in our operations. We may be unable to locate suitable alternate facilities on favourable terms, or at all, and this may have an adverse effect on our business, results of operations, cash flows and financial conditions.

**36. *If there is any damage to our brand image or reputation, our business, revenue, profitability and growth may be harmed.***

We believe our brand image and reputation plays an important role in enhancing our competitiveness and maintaining our growth. Many factors, including our ability to provide quality services to our customers, manage complaints and negative publicity and maintain a positive perception of our Company, may impact our brand image and corporate reputation. Any actual or perceived deterioration of our service quality may subject us to damages, including the loss of our key customers. The quality of our services significantly depends upon the timely pick-up and delivery of shipments. The delivery of shipments may be subject to delays, including due to underdeveloped road and highway infrastructures in remote locations, adverse weather conditions, road closures and other factors beyond our control. If we are unable to provide our services in a timely, reliable, safe and secure manner, our reputation and customer loyalty could be negatively affected. Delays in the delivery of shipments may also result in a breach of our contract with the relevant customer and may be grounds for penalties, fines, other damages or termination of such contract. Any negative publicity against us may further harm our reputation. As our platform continues to scale and public awareness of our brand increases, any issues that draw media attention may have an amplified negative effect on our reputation and brand. If we are unable to promote our brand image or reputation or maintain our service quality, we may not be able to retain our customers or increase the size of our business with them, and our business, financial condition, cash flows, results of operations and growth prospects may be materially and adversely affected. We may face increased difficulties in our hiring efforts and our ability to partner with other service providers. We could also require additional resources to rebuild our reputation and restore the value of our brand.

## **EXTERNAL RISKS**

### **Risks Relating to India**

**37. *Any deficiencies in India’s road network and telecommunication, internet, air cargo and airport infrastructures could impair the functioning of our business operations and technology systems.***

Our business depends on the performance and reliability of the road network, air cargo and airport infrastructure and telecommunication and internet infrastructure in India.

Various factors affect road transportation, such as bad weather conditions, natural calamities, road construction, road quality, regional disturbances, fatigue or exhaustion of drivers, improper conduct of the drivers, restrictions on truck movements, lockdowns, accidents or mishaps, third-party negligence and political unrest. For example, in December 2019, damage to the Karmanasha bridge resulted in transit delays of 15 to 16 hours for trucks traveling from the northern parts of India to the eastern parts of India for over three months. Narrow and poor road conditions in some parts of India can result in reductions in the average speed of our trucks from 40-45 kilometres per hour to 10-15 kilometres per hour.

Even though we undertake various measures to avoid or mitigate risks arising from such factors, including leveraging our AI and machine-learning technologies which optimise our routing, some of these factors could cause extensive damage to our assets and shipments, and affect our operations and/or the condition of our vehicles, thereby increasing our operational costs. Any such interruptions or disruptions could cause delays in the delivery of goods to their destination and/or cause damage to shipments. We may be held liable to pay compensation for losses incurred by our customers in this regard, and/or losses or injuries sustained by other third parties. Moreover, such delays or damages could cause a loss of reputation, which, over a period of time, could lead to a decline in business. In the event that shipments have a short shelf life, such as perishable goods, any delivery delays could expose us to additional losses and claims. Although some of these risks are beyond our control, we may still be liable for the condition of the shipments and their timely delivery and any disruptions or delays could adversely affect us and lead to a loss of reputation and profitability.

Furthermore, the availability and reliability of our website, applications, customer service channels and technology systems depend on telecommunication carriers and other third-party providers for digital data transmission and storage capacity, including bandwidth and server storage, among other things. If we are unable to enter into and renew agreements with these providers on acceptable terms, or if any of our existing agreements with such providers are terminated as a result of our breach or otherwise, our ability to provide our services to our customers could be adversely affected. We have experienced service interruptions in the past due to service interruptions at the underlying external telecommunications service providers, such as Internet data centres and broadband carriers. Frequent service interruptions could frustrate customers and discourage them from using our services, which could cause us to lose customers and harm our operating results.

The lack of inadequate or unreliable air cargo or airport infrastructure can have a direct adverse impact on our business operations, including our future expansion plans. The availability and cost of cargo space and the timely departures of planes are critical to our operations. Various factors may affect air cargo and airport infrastructures, such as deteriorations in the quality of the airport runways, bad weather conditions, natural calamities and air traffic. Interruptions in air cargo services can adversely affect our ability to make timely deliveries and the quality of our service.

### ***38. Changes in the taxation system in India could adversely affect our business.***

Our business operations, financial condition, cash flows and results of operations could be adversely affected by any changes in the extensive central and state tax regime in India applicable to us. We are affected by tax and other levies imposed by the central and state governments in India, including central and state taxes and other levies, income tax, goods and service tax, stamp duty and other special taxes and surcharges, which are introduced or subject to change on a temporary or permanent basis from time to time. The final determination of our tax liability involves the interpretation of local tax laws and related regulations in each jurisdiction, as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred.

For instance, the GoI has implemented two major reforms in Indian tax laws, namely the GST, and provisions relating to general anti-avoidance rules (“GAAR”). The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge and excise have been replaced by Goods and Service Tax with effect from July 1, 2017. The GST regime is relatively new and therefore is subject to amendments and its interpretation by the relevant regulatory authorities. GAAR became effective from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement may result in, among others, a denial of tax benefit to us and our business. In the absence of any precedents on the subject, the application of these provisions is subjective. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Furthermore, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

We may choose not to claim any of the specified deductions or exemptions and claim the lower corporate tax, in which case, the minimum alternate tax provisions would not be applicable. Alternatively, we may choose to pay the higher of corporate tax, 30% or 25%, as the case may be, plus applicable surcharge and cess, after claiming the applicable deductions and exemptions or the minimum alternate tax at the rate of 15% plus applicable surcharge and cess. The impact of these amendments on our business and operations or on the industry in which we operate remains uncertain.

With several proposals to introduce further regulatory compliances, additional conditions to be met to receive benefits under existing regimes being introduced, upon any such proposals being notified, we may also become subject to additional compliances and increased associated costs.

**39. *The ability of foreign investors to invest in our Company may be constrained by Indian law.***

Under foreign exchange regulations currently in force in India, transfer of Equity Shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of Equity Shares is not in compliance with such requirements and falls under any of the exceptions specified by the RBI, then the RBI's prior approval is required. See "***Restriction of Foreign Ownership of Indian Securities***" on page 544.

In addition, shareholders who seek to convert Rupee proceeds from a sale of Equity Shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms, or at all. In terms of Press Note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade ("***DPIIT***"), as consolidated in the FDI Policy with effect from October 15, 2020, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country will require prior approval of the GoI. Furthermore, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the GoI. Any such approval(s) would be subject to the discretion of the regulatory authorities. This may cause uncertainty and delays in our future investment plans and initiatives. We cannot assure you that any required approval from the relevant governmental agencies can be obtained on any particular terms or at all. For further details, see "***Restriction of Foreign Ownership of Indian Securities***" on page 544.

**40. *A downgrade in ratings of India, may affect the trading price of our Equity Shares.***

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating by Fitch was decreased from BBB with a "stable" outlook to BBB with a "negative" outlook (Fitch) in June 2020. In May 2021, DBRS changed India's sovereign rating from BBB with a "negative" outlook to BBB (low) with a "stable" outlook. Further, in October 2021, Moody affirmed India's sovereign rating of Baa3 with a "stable" outlook which has been upgraded from 'negative'. India's sovereign rating from S&P is BBB- with a "stable" outlook. Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available, including raising any overseas additional financing. A downgrading of India's credit ratings may occur, for example, upon a change of government tax or fiscal policy, which are outside our control. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business, cash flows and financial performance and the price of the Equity Shares.

**41. *Political, macroeconomic, demographic and other changes could adversely affect economic conditions in India.***

Our Company is incorporated in India and derives the majority of its revenue from contracts with customers in India and the majority of its assets are located in India. Consequently, our performance and the market price of our Equity Shares may be affected by interest rates, government policies, taxation, and other social, political and economic developments affecting India. The Indian economy differs from the economies of most developed countries in many respects, including the degree of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. While the Indian economy has experienced significant growth over the past decades, growth has been uneven, both geographically and among various sectors of the economy. The Indian



government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall Indian economy, but may have a negative effect on us.

Our business results depend on a number of general macroeconomic and demographic factors in India which are beyond our control. In particular, our revenue and profitability are strongly correlated to consumer discretionary spending and corporate investment, which is influenced by general economic conditions, unemployment levels, the availability of discretionary income and consumer confidence. Recessionary economic cycles, a protracted economic slowdown, a worsening economy, increased unemployment, rising interest rates or other industry-wide cost pressures could also affect consumer behaviour and lead to a decline in our sales and earnings.

Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansion;
- epidemic, pandemic or any other outbreak affecting public health in India or in countries in the region or globally, including in India's neighbouring countries, such as the H7N9, H5N1 and H1N1 viruses, or more recently, the COVID-19 pandemic;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- volatility in, and actual or perceived trends in trading activities on, India's primary stock exchanges;
- other significant regulatory or economic developments in or affecting India or its consumption sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- inflation rates; and
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty in enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of our Equity Shares. In particular, inflation rates in India have been volatile in recent years, and such volatility may continue, making it more difficult for us to accurately estimate or control costs. Increasing inflation in India could cause a rise in the costs of transportation, fuel, rent, wages, raw materials and other expenses. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

**42. *Natural disasters, epidemics, pandemics, acts of war, terrorist attacks and other events could materially and adversely affect our business.***

Natural disasters (such as earthquakes, fire, typhoons, cyclones, hurricanes and floods), pandemics, epidemics, strikes, civil unrest, terrorist attacks and other events, which are beyond our control, may lead to global or regional economic instability, which may in turn materially and adversely affect our business, financial condition, cash flows and results of operations. Any of these occurrences could cause severe disruptions to our daily operations and may warrant a temporary closure of our facilities. Such closures may disrupt our business operations and adversely affect our results of operations. Our operation could also be disrupted if our customers or business partners are affected by such natural disasters or epidemics.

An outbreak or epidemic, such as SARS, the H1N1 and H5N1 viruses or COVID-19 could cause general consumption or the demand for various products to decline, which could result in reduced demand for our services. See “—*The ongoing COVID-19 pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations.*” Such an outbreak or epidemic may significantly interrupt our business operations as health or governmental authorities may impose quarantine and inspection measures on us or our contractors, or restrict the flow of cargo to and from areas affected by the outbreak or epidemic.

Furthermore, certain regions in India have witnessed terrorist attacks and civil disturbances and it is possible that future terrorist attacks or civil unrest, as well as other adverse social, economic and political events in India could have a negative effect on us. Transportation facilities, including vehicles, can be targets of terrorist attacks, which could lead to, among other things, increased insurance and security costs. Regional and global political or military tensions or conflicts, strained or altered foreign relations, protectionism and acts of war or the potential for war could also cause damage and disruption to our business, which could materially and adversely affect our business, financial condition, cash flows and results of operations. Such incidents could create the perception that investments in Indian companies involve a higher degree of risk and such perception could adversely affect our business and the price of the Equity Shares. We may also face difficulty in accessing certain parts of India at certain times of the year or under adverse or inclement weather conditions.

**43. *Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries. Financial turmoil in Asia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us.

Although economic conditions vary across markets, loss of investor confidence or financial instability in one emerging economy may cause increased volatility across other economies, including India. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows.

Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. These factors may also result in a slowdown in India’s export growth. In response to such developments, legislators and financial regulators in India and other jurisdictions may implement policy measures designed to add stability to the financial markets. The overall long-term effect of such legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, cash flows and results of operation.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, cash flows and results of operations and reduce the price of our Equity Shares.

**44. *Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition, result of operations and cash flows.***

Our Restated Financial Statements included in this Draft Red Herring Prospectus are derived from our audited interim consolidated Ind AS financial statements prepared in accordance with Ind AS 34 and our audited consolidated Ind AS financial statements, prepared in accordance with Ind AS, in each case restated in accordance

with the SEBI ICDR Regulations, as amended from time to time, the Companies Act and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI. Further, the Special Purpose Consolidated Financial Statements of Spoton included in this Draft Red Herring Prospectus, have also been prepared under Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. Accordingly, the degree to which the Restated Financial Statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus.

**45. *Our business and activities may be regulated by the Competition Act, 2002 and proceedings may be enforced against us.***

The Competition Act seeks to prevent business practices that have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Furthermore, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services, Equity Shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. On March 4, 2011, the GoI notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India (the "CCI"). Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. For example, on July 15, 2021, we entered into an asset purchase agreement with FedEx to acquire certain assets, facilities and customer contracts relating to FedEx's domestic express services business. Our acquisition of FedEx's assets, as well as the FedEx's prospective investment in our Company, remains subject to customary regulatory approval, including an approval from CCI, and we may not obtain the necessary approval or be able to complete our acquisition of such assets.

We may also be subject to queries from the CCI pursuant to complaints by consumers or any third persons, which could be made without any or adequate basis given our market presence. Furthermore, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. Any enforcement proceedings initiated by the CCI in future, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI may affect our business, financial condition, cash flows and results of operations.

**46. *Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our Company's financing sources for ongoing capital expenditures or acquisitions and other strategic transactions, and hence could constrain its ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure investors that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have a material adverse effect on our business, prospects, results of operations, cash flows and financial condition.

- 47. We are, and after the Offer will remain, a “foreign owned and controlled” company in accordance with the Consolidated FDI Policy and FEMA Rules and accordingly, we shall be subject to Indian foreign investment laws.**

In accordance with the provisions of the Consolidated FDI Policy and FEMA Rules, our Company is a foreign owned and controlled company. As a foreign owned and controlled company, our Company is subject to various requirements under the Consolidated FDI Policy and other Indian foreign investment laws. Such requirements include restriction on undertaking certain business activities without prior Government approval or at all, and pricing guidelines applicable to issue or transfer of our Equity Shares.

While we believe that our business activities have been, and continue to remain, compliant with the requirements under the Consolidated FDI Policy and other Indian foreign investment laws, we cannot assure you that the Government, or a regulatory or judicial authority, will not take a different interpretation. A determination by the Government, or a regulatory or judicial authority, that any of our business activities are being, or have been, conducted in violation of the Consolidated FDI Policy and other applicable Indian foreign investment laws, would attract regulatory sanctions, including monetary penalties. In such an event, we may also have to cease undertaking the relevant business activities. Furthermore, till the time we continue to be a foreign owned and controlled company, we may not be able to undertake certain commercially attractive business activities or investments without prior approval of the Government or at all.

#### **Risks Relating to the Offer**

- 48. Certain sections of this Draft Red Herring Prospectus contain information from RedSeer which has been exclusively commissioned and paid for by us and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.**

Our Company engaged RedSeer to prepare a report on our industry. Following their engagement, RedSeer prepared a report on our industry titled, “Logistics Market in India” (the “**RedSeer Report**”). Certain sections of this Draft Red Herring Prospectus include information based on, or derived from, the RedSeer Report or extracts of the RedSeer Report. We exclusively commissioned and paid for this report for the purpose of confirming our understanding of the industry in connection with the Offer. All such information in this Draft Red Herring Prospectus indicates the RedSeer Report as its source. Accordingly, any information in this Draft Red Herring Prospectus derived from, or based on, the RedSeer Report should be read taking into consideration the foregoing.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Furthermore, the RedSeer Report is not a recommendation to invest or disinvest in any company covered in the RedSeer Report. Accordingly, prospective investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Red Herring Prospectus based on, or derived from, the RedSeer Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Red Herring Prospectus based on, or derived from, the RedSeer Report before making any investment decision regarding the Offer.

- 49. Our funding requirements and the proposed deployment of net proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the net proceeds. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale.**

We intend to utilise the Net Proceeds from the Offer for the purposes set forth in “**Objects of the Offer**” on page 120. The objects of the Fresh Issue have not been appraised by any bank or financial institution. While a monitoring agency will be appointed, if required, to monitor the utilisation of the Net Proceeds, the proposed utilisation of Net Proceeds is based on current conditions, our business plans and internal management estimates and is subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. Given the competitive nature of our industry, we may revise our business plan and/or management estimates from time to time, which may affect our funding requirements.

Our Company, in accordance with the policies established by the Board from time to time, will have the flexibility to deploy the Net Proceeds. Furthermore, pending utilisation of the Net Proceeds towards the Objects of the Offer, we will have the flexibility to deploy the Net Proceeds and deposit the Net Proceeds temporarily in deposits with one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1939, as approved by our Board or IPO Committee. Accordingly, prospective investors in the Offer will need to rely on our management's judgment with respect to the use of Net Proceeds.

Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. For example, our plan to invest in new businesses could be delayed due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may also use funds for future businesses which may have risks significantly different from what we currently face or may expect. Accordingly, use of the Net Proceeds for other purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of our business and your investment.

In addition to the Fresh Issue from which our Company will receive proceeds, the Offer includes an Offer for Sale by the Selling Shareholders. Our Selling Shareholders will receive the entire proceeds from the Offer for Sale (after deducting applicable Offer Expenses) and our Company will not receive any part of such proceeds. For further details, see "*Objects of the Offer*" on page 120.

**50. *Our Company is a professionally managed company and does not have an identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act, 2013.***

Our Company is a professionally managed company and does not have an identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act 2013. Accordingly, in terms of Regulation 14(1) of the SEBI ICDR Regulations, there is no requirement of minimum promoter's contribution in this Offer and accordingly, none of the Equity Shares will be locked in for a period of 18 months pursuant to the Offer. In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital will be locked-in for a period of six months from the date of Allotment, other than (a) Equity Shares which are successfully transferred as part of the Offer; and (b) any Equity Shares allotted to employees, whether currently an employee or not, pursuant to the employee stock options schemes of our Company, prior to the Offer.

**51. *In the event that our Net Proceeds to be utilised towards inorganic growth initiatives are insufficient for the cost of our proposed inorganic acquisition, we may have to seek alternative forms of funding.***

We propose to utilise the Net Proceeds towards inorganic growth initiatives in addition to organic growth initiatives, as set forth in "*Objects of the Offer*" on page 120. We will from time to time continue to seek attractive inorganic opportunities that will fit well with our strategic business objectives and growth strategies, and the amount of Net Proceeds to be used for acquisitions will be based on our management's decision. The amounts deployed towards such inorganic initiatives may not be the total value or cost of such acquisitions or investments, resulting in a shortfall in raising requisite capital from the Net Proceeds towards such acquisitions or investments. Consequently, we may be required to explore a range of options to raise requisite capital, including utilizing our internal accruals and/or seeking debt, including from third party lenders or institutions.

**52. *We cannot assure payment of dividends on our Equity Shares in the future.***

Our Company has a formal dividend policy as on the date of this Draft Red Herring Prospectus. However, we have not declared any dividends on our equity shares or preference shares in the current fiscal year or the past three fiscal years. Our ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements and other factors considered relevant by our directors and shareholders. Our Company may decide to retain all of its earnings to finance the development and expansion of its business and therefore, we may not declare dividends on the Equity Shares. Additionally, our ability to pay dividends may also be restricted under certain financing arrangements that we may enter into. See "*Dividend Policy*" on page 219 for more information. We cannot assure you that we will be able to pay dividends on our Equity Shares at any point in the future.

**53. *Our Equity Shares have never been publicly traded, and after the Offer, our Equity Shares may experience price and volume fluctuations, and an active trading market for our Equity Shares may not develop.***

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for our Equity Shares.

The market price of Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. The stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company's performance. In addition, following the expiry of the six-month locked-in period on certain portions of the pre-Offer Equity Share capital, the pre-Offer shareholders may sell their shareholding in our Company, depending on market conditions and their investment horizon. Any perception by investors that such sales might occur could additionally affect the trading price of our Equity Shares. Consequently, the price of our Equity Shares may be volatile, and you may be unable to sell your Equity Shares at or above the Offer Price, or at all. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

***54. The determination of the Price Band is based on various factors and assumptions and the Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer. Furthermore, the current market price of some securities listed pursuant to certain previous issues managed by the BRLMs is below their respective issue prices.***

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company and the Selling Shareholders in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company and the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under "***Basis for Offer Price***" on page 129 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further details, see "***Other Regulatory and Statutory Disclosures – Price information of past issues handled by the BRLMs***" on page 509. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

***55. Investors may be subject to Indian taxes arising out of income arising on the sale of and dividend on our Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed Equity Shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("***STT***"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

Furthermore, any capital gains realised on the sale of listed Equity Shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short-term capital gains tax in India.

Capital gains arising from the sale of our Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument ("***MI***"), if and to the extent applicable, and the seller is entitled to avail benefits thereunder, subject to certain conditions. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of our Equity Shares.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. Our Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

Similarly, any business income realised from the transfer of our Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. In addition, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, the tax payable by an assessee on the capital gains arising from transfer of long term capital asset (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹100,000, subject to certain exceptions in case of a resident individuals and HUF.

Furthermore, the Finance Act, 2019 has made various amendments in the taxation laws and has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company's business, financial condition, results of operations and cash flows.

**56. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid, and Retail Individual Bidders are not permitted to withdraw their Bids after the Bid /Offer Closing Date.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid Period or Offer Period and withdraw their Bids until the Bid or Offer Closing Date. While our Company is required to complete all necessary formalities for listing and commencement of trading of our Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed including allotment pursuant to the Offer within six working days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in our Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation, cash flows or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the allotment of Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

**57. *There is no guarantee that our Equity Shares will be listed on the BSE and NSE in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until the allotment of Equity Shares pursuant to this Offer.

In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE and NSE within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

**58. *Investors may have difficulty enforcing foreign judgments against our Company or our management.***

Our Company is incorporated under the laws of India. The majority of our directors and executive officers are residents of India. A substantial portion of our Company's assets and the assets of our Directors and executive officers resident in India are located in India. As a result, it may be difficult for investors to effect service of process

upon us or such persons outside India or to enforce judgments obtained against our Company or such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908 (“CPC”), on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the CPC provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the GoI has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the CPC is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties. Some jurisdictions including the United Kingdom, United Arab Emirates, Singapore and Hong Kong have been declared by the GoI to be reciprocating countries for the purposes of Section 44A of the CPC.

The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

Furthermore, there may be considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian law. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the FEMA to execute such a judgment or to repatriate any amount recovered.

#### ***59. The requirements of being a publicly listed company may strain our resources.***

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs associated with being a listed company by shareholders, regulators and the public at large. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Furthermore, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management’s attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.



**60. *Holders of our Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of Equity Shares to maintain their existing ownership percentages prior to the issuance of any new Equity Shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such resolution. However, if the laws of the jurisdiction that holders are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, the holders will be unable to exercise such pre-emptive rights unless we make such a filing. The Company may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to the holders. To the extent that the holders are unable to exercise pre-emptive rights granted in respect of the Equity Shares, they may suffer future dilution of their ownership position and their proportional interests in our Company would be reduced.

**61. *Any future issuance of Equity Shares or convertible securities or other equity-linked securities by our Company may dilute investors' shareholdings, and sales of Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering or an issuance of Equity Shares to employees upon exercise of vested options held by them under the ESOP Schemes, may lead to the dilution of investors' shareholdings in us. Any disposal of Equity Shares by our major shareholders or the perception that such issuance or sales may occur, may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the Shareholders will not dispose of the Equity Shares. Any future issuances could also dilute the value of your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of the Equity Shares.

**62. *Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.***

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as a shareholder in an Indian company than as a shareholder of an entity in another jurisdiction.

**63. *Your ability to acquire and sell your Equity Shares may be restricted under Indian law.***

Under Indian regulations and practices, transferring Equity Shares between non-residents and residents are permitted, subject to certain exceptions, if they comply with, amongst other things, the pricing guidelines and reporting requirements specified by RBI. For further details, see "*Other Regulatory and Statutory Disclosures – Eligibility and Transfer Restrictions*" on page 499. No actions have been taken to permit a public offering of our Equity Shares in any jurisdiction except India. As such, our Equity Shares have not and will not be registered under the U.S. Securities Act, any state securities laws or the law of any jurisdiction other than India. You are required to inform yourself about and observe these restrictions. The information in this Draft Red Herring Prospectus has been provided for the benefit of investors. However, this information does not purport to be a complete analysis of the restrictions under Indian laws in relation to the acquisition and/or transfer of securities in an Indian company by a person resident outside India. The Company, the BRLMs and their respective officers, directors, representatives, agents, affiliates and associates accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire our Equity Shares.

**64. *Our Company is not, and does not intend to become, regulated as an investment company under the U.S. Investment Company Act and related rules.***

Our Company has not been and does not intend to become registered as an investment company under the U.S. Investment Company Act. The U.S. Investment Company Act provides certain protections to investors and imposes certain restrictions on companies that are registered as investment companies (which, among other things, require

investment companies to have a majority of disinterested directors, provide limitations on leverage and limit transactions between investment companies and their affiliates). None of these protections or restrictions is or will be applicable to our Company. If our Company was to become subject to the U.S. Investment Company Act because of a change of law or otherwise, the various restrictions imposed by the U.S. Investment Company Act, and the substantial costs and burdens of compliance therewith, could adversely affect our operating results and financial performance. Moreover, parties to a contract with an entity that has improperly failed to register as an investment company under the U.S. Investment Company Act may be entitled to cancel or otherwise void their contracts with the unregistered entity, and Shareholders in that entity may be entitled to withdraw their investment. Our Company is relying on the exemption provided by Section 3(c)(7) of the U.S. Investment Company Act to avoid being required to register as an investment company under the U.S. Investment Company Act and related rules. In order to help ensure compliance with the exemption provided by Section 3(c)(7) of the U.S. Investment Company Act, our Company has implemented restrictions on the ownership and transfer of Equity Shares by any persons acquiring our Equity Shares in Offer who are in the United States or who are US.. Persons (as defined in Regulation S under the US Securities Act of 1933, as amended, or the U.S. Securities Act), which may materially affect your ability to transfer our Equity Shares. See “**Other Regulatory and Statutory Disclosures – Eligibility and Transfer Restrictions**” on page 499. In addition, as we are relying on an analysis that our Company does not come within the definition of an “investment company” under the U.S. Investment Company Act because of the exception provided under Section 3(c)(7) thereunder, our Company may be considered a “covered fund” as defined in the Volcker Rule. Accordingly, “banking entities” that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares.

**65. *There can be no assurance that we will not be classified as a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to United States Holders of our Equity Shares.***

We would be classified as a passive foreign investment company (“**PFIC**”) for any taxable year if, after the application of certain look-through rules, either: (i) 75% or more of our gross income for such year is “passive income” (as defined in the relevant provisions of the Internal Revenue Code of 1986, as amended), or (ii) 50% or more of the value of our assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For these purposes, cash and other that do or could generate passive income are categorized as passive assets, and the value of company’s goodwill and other unrecorded intangible assets is generally taken into account. Passive income generally includes, among other things, rents, dividends, interest, royalties, gains from the disposition of passive assets and gains from commodities and securities transactions. For purposes of this test, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation of which we own, directly or indirectly, at least 25% (by value) of the shares. Based on our anticipated market capitalization and the composition of our income, assets and operations, we do not expect to be a PFIC for U.S. federal income tax purposes for the current taxable year. However, this is a factual determination that must be made annually after the close of each taxable year. Moreover, the value of our assets for purposes of the PFIC determination may be determined by reference to the public price of our Equity Shares at this initial offering and the future price, which could fluctuate significantly. In addition, it is possible that the Internal Revenue Service may take a contrary position with respect to our determination in any particular year, and therefore, there can be no assurance that we will not be classified as a PFIC for the current taxable year or in the future. Certain adverse U.S. federal income tax consequences could apply to a United States investor if we are treated as a PFIC for any taxable year during which such investor holds our Equity Shares. United States investors should consult their tax advisors about the potential application of the PFIC rules to their investment in our Equity Shares.

## SECTION III: INTRODUCTION

### THE OFFER

The following table summarizes details of the Offer:

<b>Offer<sup>(1) (2)</sup></b>	Up to [●] Equity Shares aggregating up to ₹74,600 million
<i>The Offer consists of:</i>	
Fresh Issue <sup>(1)</sup>	Up to [●] Equity Shares aggregating up to ₹50,000 million
Offer for Sale <sup>(2)</sup>	Up to [●] Equity Shares aggregating up to ₹24,600 million
Employee Reservation Portion <sup>(3)</sup>	Up to [●] Equity Shares aggregating up to ₹[●] million
Net Offer	Up to [●] Equity Shares aggregating up to ₹[●] million
<i>Of which:</i>	
<b>A. QIB Portion<sup>(4) (5)</sup></b>	Not less than [●] Equity Shares
<i>Of which:</i>	
Anchor Investor Portion	Up to [●] Equity Shares
Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>Of which:</i>	
Mutual Fund Portion	[●] Equity Shares
Balance for all QIBs including Mutual Funds	[●] Equity Shares
<b>B. Non-Institutional Portion<sup>(4)</sup></b>	Not more than [●] Equity Shares
<b>C. Retail Portion<sup>(4)</sup></b>	Not more than [●] Equity Shares
<b>Pre and post-Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer (as on the date of this Draft Red Herring Prospectus)	191,186,100 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
<b>Use of proceeds of the Offer</b>	For details, see “ <i>Objects of the Offer</i> ” on page 120 for details regarding the use of proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

- (1) The Offer has been authorised by our Board pursuant to its resolution passed on October 13, 2021 and the Fresh Issue has been authorised by our Shareholders pursuant to a special resolution passed on October 15, 2021.
- (2) The Selling Shareholders have, severally and not jointly, confirmed and approved the offer of their respective portion of the Offered Shares in the Offer for Sale as set out below:

Name of Shareholders	Selling Aggregate amount of Offer for Sale (up to) (in ₹ million)	Date of Shareholders' letter	Selling consent	Date of corporate authorization/ resolution
<b>Investor Selling Shareholders</b>				
CA Swift Investments*	9,200	October 20, 2021		October 20, 2021
Deli CMF Pte. Ltd.*	4,000	October 19, 2021		October 19, 2021
SVF Doorbell (Cayman) Ltd*	7,500	October 21, 2021		September 22, 2021
Times Internet Limited	3,300	October 21, 2021		September 15, 2021
<b>Individual Selling Shareholders</b>				
Kapil Bharati	140	October 21, 2021		-
Mohit Tandon	400	October 21, 2021		-
Suraj Saharan	60	October 21, 2021		-

\*As on the date of this Draft Red Herring Prospectus, (i) CA Swift Investments holds 302,487 Series E Preference Shares and 158,831 Series F Preference Shares, which will be converted into an aggregate of 46,131,800 Equity Shares, (ii) Deli CMF Pte. Ltd. holds 41,424 Series E Preference Shares and 27,366 Series F Preference Shares, which will be converted into an aggregate of 6,879,000 Equity Shares, and (iii) SVF Doorbell (Cayman) Ltd holds 164,862 Series D Preference Shares, 1,987 Series E Preference Shares and 1,235,331 Series F Preference Shares, which will be converted into an aggregate of 140,218,000 Equity Shares, and the conversion into Equity Shares as mentioned in each of (i), (ii) and (iii) shall be undertaken prior to filing of the Red Herring Prospectus with the RoC.

- (3) *In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion, shall be added to the Net Offer.*
- (4) *Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Category, would be allowed to be met with spill-over from other category or a combination of categories at the discretion of our Board or the IPO Committee, as applicable, in consultation with the BRLMs and the Designated Stock Exchange subject to applicable law. In the event of under-subscription in the Offer, Equity Shares shall be allocated in the manner specified in “**Terms of the Offer**” on page 515.*
- (5) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will be accordingly reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion will be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors, which shall be a price determined by our Company, in consultation with the BRLMs. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added back to the QIB Category. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see “**Offer Procedure**” on page 525.*

*Notes:*

1. *Allocation to all categories, other than Anchor Investors and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. For details, see “**Offer Procedure**” on page 525.*
2. *Pursuant to Rule 19(2)(b) of the SCRR, the Offer is being made for at least 10% of the post-Offer paid-up Equity Share capital of our Company.*

For details, including grounds for rejection of Bids, refer to “**Offer Structure**” and “**Offer Procedure**” on page 521 and 525, respectively. For details of the terms of the Offer, see “**Terms of the Offer**” on page 515.

## SUMMARY OF RESTATED FINANCIAL STATEMENTS

The following tables provide the summary of financial information of our Company derived from the Restated Financial Statements.

### RESTATED SUMMARY CONSOLIDATED BALANCE SHEET DATA

*(all amounts in ₹ million, unless otherwise stated)*

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	2,863.16	2,379.71	2,358.91	1,610.12
Right of use asset	7,176.68	7,828.04	4,781.14	2,975.12
Capital work in progress	369.02	767.55	267.22	8.80
Goodwill	186.48	186.48	186.40	163.80
Other intangible assets	136.77	139.55	113.80	130.62
Intangible assets under development	-	-	48.09	-
<b>Financial assets</b>				
i) Investments	2,867.10	4,205.89	3,772.39	247.01
ii) Loans	-	-	-	27.32
iii) Other financial assets	6,102.84	886.62	5,253.76	2,036.03
Non-current tax assets (net)	913.13	1,231.69	1,050.15	596.45
Other non-current assets	114.83	47.47	13.64	134.27
<b>Total non-current assets</b>	<b>20,730.01</b>	<b>17,673.00</b>	<b>17,845.50</b>	<b>7,929.54</b>
<b>Current assets</b>				
Inventories	282.66	259.48	178.32	226.33
<b>Financial assets</b>				
i) Investments	27,035.53	7,075.64	8,104.41	11,304.27
ii) Trade receivables	6,949.88	5,945.82	6,013.31	2,146.50
iii) Cash and cash equivalents	1,668.16	2,758.63	1,200.38	16,626.39
iv) Other bank balances	-	15.78	2,886.62	7.93
v) Loans	231.90	264.21	26.80	2.30
vi) Other financial assets	6,871.48	10,815.26	6,444.10	1,951.17
Other current assets	2,052.30	1,170.16	873.64	431.02
<b>Total current assets</b>	<b>45,091.91</b>	<b>28,304.98</b>	<b>25,727.58</b>	<b>32,695.91</b>
<b>Total assets</b>	<b>65,821.92</b>	<b>45,977.98</b>	<b>43,573.08</b>	<b>40,625.45</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				

(all amounts in ₹ million, unless otherwise stated)

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Equity share capital	16.38	16.33	9.75	9.58
Instruments entirely equity in nature	410.33	353.99	391.72	391.72
Other equity	47,009.57	27,997.65	31,302.59	33,481.53
<b>Total equity</b>	<b>47,436.28</b>	<b>28,367.97</b>	<b>31,704.06</b>	<b>33,882.83</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Financial Liabilities				
i) Borrowings	1,451.79	1,316.09	998.02	356.20
ii) Lease liabilities	5,971.30	6,538.44	3,870.65	2,425.22
iii) Trade payables				
a. total outstanding dues of micro enterprises and small enterprises	-	-	-	-
b. total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	1.10	24.75
Provisions	236.16	219.16	166.12	108.90
<b>Total non- current liabilities</b>	<b>7,659.25</b>	<b>8,073.69</b>	<b>5,035.89</b>	<b>2,915.07</b>
<b>Current liabilities</b>				
Financial liabilities				
i) Borrowings	1,972.05	1,697.34	1,570.13	579.97
ii) Lease liabilities	1,594.47	1,617.16	1,107.66	744.43
iii) Trade payables				
a. total outstanding dues of micro enterprises and small enterprises	7.65	20.52	7.97	0.61
b. total outstanding dues of creditors other than micro enterprises and small enterprises	5,125.70	4,401.78	2,725.53	1,581.78
iv) Other financial liabilities	1,155.10	1,305.75	1,096.90	683.88
Provisions	128.80	121.67	103.62	67.50
Other current liabilities	741.42	370.90	220.08	169.38
Current tax liabilities (net)	1.20	1.20	1.24	-
<b>Total current liabilities</b>	<b>10,726.39</b>	<b>9,536.32</b>	<b>6,833.13</b>	<b>3,827.55</b>
<b>Total liabilities</b>	<b>18,385.64</b>	<b>17,610.01</b>	<b>11,869.02</b>	<b>6,742.62</b>
<b>Total equity and liabilities</b>	<b>65,821.92</b>	<b>45,977.98</b>	<b>43,573.08</b>	<b>40,625.45</b>

## RESTATED SUMMARY CONSOLIDATED PROFIT AND LOSS DATA

*(all amounts in ₹ million, unless otherwise stated)*

Particulars	For the period ended June 30, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Income</b>				
Revenue from contract with customers	13,177.22	36,465.27	27,805.75	16,538.97
Other income	462.89	1,917.64	2,080.54	409.77
<b>Total income (I)</b>	<b>13,640.11</b>	<b>38,382.91</b>	<b>29,886.29</b>	<b>16,948.74</b>
<b>Expenses</b>				
Freight, handling and servicing cost	8,679.06	27,780.82	21,837.96	12,506.83
Purchase of traded goods	1,621.33	102.08	57.69	-
Change in inventory of traded goods	(62.30)	-	-	-
Employee benefit expense	2,064.51	6,109.23	4,908.94	3,446.39
Fair value loss on financial liabilities at fair value through profit or loss	320.12	91.95	-	14,806.64
Finance costs	227.24	886.27	492.18	358.13
Depreciation and amortisation expense	817.88	3,546.20	2,555.91	1,700.05
Other expenses	1,268.07	3,610.49	2,721.63	1,963.74
<b>Total expenses (II)</b>	<b>14,935.91</b>	<b>42,127.04</b>	<b>32,574.31</b>	<b>34,781.78</b>
<b>Restated loss before exceptional item and tax (III= I - II)</b>	<b>(1,295.80)</b>	<b>(3,744.13)</b>	<b>(2,688.02)</b>	<b>(17,833.04)</b>
Exceptional items (IV)	-	(413.30)	-	-
<b>Restated loss before tax (V= III+IV)</b>	<b>(1,295.80)</b>	<b>(4,157.43)</b>	<b>(2,688.02)</b>	<b>(17,833.04)</b>
Tax expense, comprising:				
Current tax	-	-	(1.24)	-
Deferred tax	-	-	-	-
<b>Total tax expense (VI)</b>	<b>-</b>	<b>-</b>	<b>(1.24)</b>	<b>-</b>
<b>Restated loss for the period / year (VII= V+VI)</b>	<b>(1,295.80)</b>	<b>(4,157.43)</b>	<b>(2,689.26)</b>	<b>(17,833.04)</b>
<b>Other comprehensive income:</b>				
<b>(a) Items that will not be reclassified to profit or loss in subsequent periods:</b>				
(i) Re-measurement (loss) / gain on defined benefit plans	(1.24)	10.38	(7.62)	(0.00)
(ii) Income tax relating to items that will not be re-classified to profit and loss	-	-	-	-
<b>Subtotal (a)</b>	<b>(1.24)</b>	<b>10.38</b>	<b>(7.62)</b>	<b>(0.00)</b>
<b>(b) Items that will be reclassified to profit or loss in subsequent periods:</b>				
(i) Exchange differences on translation of foreign operations	2.48	(8.32)	17.27	(4.59)
(ii) Income tax relating to items that will be re-classified to profit and loss	-	-	-	-

*(all amounts in ₹ million, unless otherwise stated)*

<b>Particulars</b>	<b>For the period ended June 30, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
<b>Subtotal (b)</b>	2.48	(8.32)	17.27	(4.59)
<b>Restated other comprehensive income / (loss) for the period / year (a+b)</b>	1.24	2.06	9.65	(4.59)
<b>Restated total comprehensive loss for the period / year</b>	<b>(1,294.56)</b>	<b>(4,155.37)</b>	<b>(2,679.61)</b>	<b>(17,837.63)</b>
<b>Restated loss per share</b>				
- Basic loss per share (INR)	(2.41)	(8.05)	(5.22)	(47.22)
- Diluted loss per share (INR)	(2.41)	(8.05)	(5.22)	(47.22)



## RESTATED SUMMARY CONSOLIDATED CASH FLOWS DATA

*(all amounts in ₹ million, unless otherwise stated)*

Particulars	For the period ended June 30, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Operating activities</b>				
<b>Restated loss before tax</b>	(1,295.79)	(4,157.43)	(2,688.02)	(17,833.04)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>				
Depreciation of property, plant and equipment	315.35	1,567.32	1,321.96	895.76
Amortization of intangible assets	16.68	76.56	83.76	38.01
Depreciation of right of use assets	485.85	1,902.32	1,150.15	766.28
Allowances for doubtful debts	363.08	894.78	447.91	275.40
Bad debts written off	1.34	4.45	11.06	36.10
Allowances for doubtful advances	7.09	47.53	9.48	7.55
Provision for diminution in value of non-current investments	-	-	-	92.90
Provision for doubtful debts	-	413.30	-	-
Inventory written off	-	-	75.62	-
Share based payment expense	437.20	723.12	488.05	379.44
Interest expense	53.17	198.64	113.26	97.24
Interest on lease liabilities	173.05	683.05	377.99	257.41
Stamp duty expense	-	(2.58)	(3.76)	-
Fair value gain on investment at fair value through profit or loss	(151.74)	(325.01)	(133.50)	(10.07)
Assets written off	-	-	0.26	-
Interest income	(210.55)	(1,150.36)	(1,419.65)	(319.32)
Interest income on unwinding of discount on security deposits paid	(30.64)	(105.63)	(39.80)	(20.22)
Net loss/ (gain) on sale of current investments	7.96	(100.81)	(394.80)	(24.74)
Exchange differences on translation of foreign operations	-	-	-	(4.59)
Rent waiver on lease liabilities	-	(33.80)	-	-
Gain on modification / termination of lease contracts	(29.10)	(99.76)	-	(7.28)
Fair value loss on financial liabilities at fair value through profit or loss	320.12	91.95	-	14,806.64
Fair value loss on financial instruments at fair value through profit or loss	-	-	-	92.95
(Profit) / loss on disposals of property, plant and equipment	-	(2.95)	8.08	(0.47)
<b>Operating loss before working capital changes</b>	<b>463.07</b>	<b>624.69</b>	<b>(591.95)</b>	<b>(474.05)</b>
<b>Movements in working capital :</b>				
Increase in inventories	(23.17)	(81.17)	(27.62)	(56.74)
Increase in trade and other receivables	(1,368.37)	(831.62)	(4,356.46)	(826.53)
Increase in financial assets	(1,211.13)	(1,007.50)	(2,238.76)	(452.82)

(all amounts in ₹ million, unless otherwise stated)

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	June 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
(Increase) / decrease in other assets	(882.25)	(303.01)	(16.61)	61.66
Decrease / (Increase) in loans	32.29	(237.44)	25.00	5.81
Increase / (decrease) in trade payables	710.62	1,689.64	1,130.30	(375.55)
Increase / (decrease) in other liabilities	240.47	304.55	103.90	(139.32)
Increase in provisions	22.89	71.10	85.60	58.40
<b>Cash (used in) / flow from operations</b>	<b>(2,015.58)</b>	<b>229.24</b>	<b>(5,886.60)</b>	<b>(2,199.14)</b>
Income taxes refund / (paid) (net)	318.56	(181.55)	(452.46)	(227.70)
<b>Net cash (used in) / flow from operating activities (A)</b>	<b>(1,697.02)</b>	<b>47.69</b>	<b>(6,339.06)</b>	<b>(2,426.84)</b>
<b>Investing activities</b>				
Purchase of property, plant & equipment (including other intangible assets, capital work in progress and capital advances)	(534.57)	(2,509.39)	(2,135.86)	(1,565.90)
Proceeds from property, plant & equipment (including other intangible assets)	23.71	23.71	0.26	-
Payment towards acquisition of business	-	(35.00)	(36.31)	(265.40)
Proceeds from sale of financial assets - liquid mutual fund units, debt instruments	1,601.67	10,217.69	45,696.23	2,910.16
Payment to acquire financial assets- liquid mutual fund units, debt instruments	(20,078.99)	(9,196.60)	(45,493.49)	(11,905.47)
Maturity of bank deposits (having original maturity of more than 12 months) including margin money deposits	1,078.98	2,484.66	1,754.37	2,799.03
Investments in bank deposits (having original maturity of more than 12 months) including margin money deposits	(1,766.52)	(1,227.49)	(7,185.57)	(1,687.04)
Maturity / (investments) of bank deposits (having original maturity of more than 3 months)	15.78	2,870.84	(2,878.69)	0.94
Interest received	846.07	754.50	953.61	319.32
<b>Net cash (used in) / flow from investing activities (B)</b>	<b>(18,813.87)</b>	<b>3,382.92</b>	<b>(9,325.45)</b>	<b>(9,394.36)</b>
<b>Financing activities</b>				
Proceeds from issuance of equity share capital (including stock option exercised)	10.90	98.25	14.68	-
Proceeds from issuance of instruments entirely equity in nature	19,917.27	-	-	28,900.96
Proceeds from issuance of compulsorily convertible preference shares	-	92.88	-	-
(Repayment) / Proceeds from long term borrowings	(184.42)	133.20	641.78	268.31
Interest paid	(44.10)	(205.34)	(108.69)	(93.49)
Payment of interest portion of lease liabilities	(173.05)	(683.05)	(377.99)	(257.41)
Payment of principal portion of lease liabilities	(380.83)	(1,435.51)	(921.44)	(620.48)
Repayments of short term borrowings	(1,697.34)	(500.00)	(287.89)	(319.76)

*(all amounts in ₹ million, unless otherwise stated)*

Particulars	For the period ended	For the year ended	For the year ended	For the year ended
	June 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Proceeds from short term borrowings	1,972.00	1,032.58	872.68	706.08
<b>Net cash flow from/ (used in) financing activities ( C)</b>	<b>19,420.43</b>	<b>(1,466.99)</b>	<b>(166.87)</b>	<b>28,584.21</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(1,090.47)</b>	<b>1,963.62</b>	<b>(15,831.38)</b>	<b>16,763.01</b>
Cash and cash equivalents at beginning of the period/ year	2,758.63	795.01	16,626.39	(136.62)
<b>Cash and cash equivalents at end of the period/ year</b>	<b>1,668.16</b>	<b>2,758.63</b>	<b>795.01</b>	<b>16,626.39</b>

## GENERAL INFORMATION

Our Company was incorporated as “SSN Logistics Private Limited”, a private limited company, under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC on June 22, 2011. Subsequently, the name of our Company was changed to “Delhivery Private Limited”, pursuant to a fresh certificate of incorporation issued by the RoC on December 8, 2015. On the conversion of our Company to a public limited company, pursuant to a resolution passed by our Shareholders on September 29, 2021 our name was changed to “Delhivery Limited” and a fresh certificate of incorporation dated October 12, 2021 was issued by the RoC.

**Corporate Identity Number:** U63090DL2011PLC221234

**Registration Number:** 221234

### Registered Office of our Company

N24-N34, S24-S34  
Air Cargo Logistics Centre-II  
Opposite Gate 6 Cargo Terminal  
Indira Gandhi International Airport  
New Delhi 110037 Delhi, India  
**Website:** www.delhivery.com

For details of change in the registered office of our Company, see “*History and Certain Corporate Matters – Changes in the registered office*” on page 190.

### Corporate Office of our Company

Plot 5, Sector 44  
Gurugram 122002  
Haryana, India  
**Telephone:** +91 124 6225602

### Address of the Registrar of Companies

Our Company is registered with the RoC located at the following address:

Registrar of Companies, National Capital Territory of Delhi and Haryana  
4<sup>th</sup> Floor, IFCI Tower 61, Nehru Place  
New Delhi 110019 Delhi, India

### Board of Directors of our Company

Details regarding our Board of Directors as on the date of this Draft Red Herring Prospectus are set forth below:

Name and Designation	DIN	Address
<b>Deepak Kapoor</b> <i>Chairman and Non-Executive Independent Director</i>	00162957	K-42, NDSE-2, Andrewsganj S.O., South Delhi, Delhi 110049, India
<b>Sahil Barua</b> <i>Managing Director and Chief Executive Officer</i>	05131571	House No. 367/4, B5 Plot No., Villa No. 9, Salvador Do Mundo Bardez, North Goa 403101 Goa, India
<b>Sandeep Kumar Barasia</b> <i>Executive Director and Chief Business Officer</i>	01432123	C 77, 3 <sup>rd</sup> Floor, Panchsheel Enclave, Delhi 110017, India
<b>Kapil Bharati</b> <i>Executive Director and Chief Technology Officer</i>	02227607	295 DDA Flats, Gulmohar Enclave, Andrewsganj S.O., South Delhi, Delhi 110049, India
<b>Agus Tandiono<sup>(1)</sup></b> <i>Non-Executive Nominee Director</i>	08577542	Flat C, 19/F, Block 3, 14 Tregunter Path, the Peak, Hong Kong
<b>Munish Ravinder Varma<sup>(2)</sup></b> <i>Non-Executive Nominee Director</i>	02442753	36, Hamilton Terrace, St. John Wood, London, United Kingdom
<b>Suvir Suren Sujan<sup>(3)</sup></b> <i>Non-Executive Nominee Director</i>	01173669	6 AB, Floor 6, Plot 89, Andromeda CHS, Khan Abdul Gaffar Khan Marg, Worli Sea Face, Worli, Mumbai 400025 Maharashtra, India

Name and Designation	DIN	Address
<b>Kalpna Jaisingh Morparia</b> <i>Non-Executive Independent Director</i>	00046081	A52, Ahuja Tower CHS, Rajabhau Desai Marg, Behind ICICI Prudential, Prabhadevi, Mumbai 400025 Maharashtra, India
<b>Romesh Sobti</b> <i>Non-Executive Independent Director</i>	00031034	10 S/F, Paschim Marg, Vasant Vihar, New Delhi 110057, India
<b>Saugata Gupta</b> <i>Non-Executive Independent Director</i>	05251806	B-1002, Rustomjee Oriana, MIG Colony, Gandhi Nagar, Bandra East, Mumbai 400051 Maharashtra, India
<b>Srivatsan Rajan</b> <i>Non-Executive Independent Director</i>	00754512	Villa No. 6, World Spa East, Sector-30/41, Gurugram 122001 Haryana, India

<sup>(1)</sup> *Nominee of Canada Pension Plan Investment Board*

<sup>(2)</sup> *Nominee of SVF Doorbell (Cayman) Ltd*

<sup>(3)</sup> *Nominee of Nexus Ventures III Ltd. and Nexus Opportunity Fund Ltd.*

For further details of our Directors, see “**Our Management**” on page 201.

### **Filing of this Draft Red Herring Prospectus**

A copy of this Draft Red Herring Prospectus shall be submitted to SEBI on [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in) in accordance with SEBI circular dated March 27, 2020, in relation to “*Easing of Operational Procedure – Division of Issues and Listing – CFD*”; and will be filed with SEBI electronically on the platform provided by SEBI at <https://siportal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed under Section 32 of the Companies Act would be filed with the RoC, and a copy of the Prospectus shall be filed with the RoC as required under Sections 26 and 32 of the Companies Act and through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Company Secretary and Compliance Officer**

Sunil Kumar Bansal is the Company Secretary and Compliance Officer of our Company. His contact details are set forth below:

Plot 5, Sector 44  
Gurugram 122002 Haryana, India  
**Telephone:** +91 124 6225602  
**E-mail:** [cscpliance@delhivery.com](mailto:cscpliance@delhivery.com)

### **Investor Grievances**

**Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.**

All offer-related grievances, other than of Anchor Investors, may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary(ies) with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for Retail Individual Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary(ies) where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediaries in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All offer-related grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Anchor Investor Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of the Equity Shares

applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLMs where the Anchor Investor Application Form was submitted by the Anchor Investor.

#### **Book Running Lead Managers**

##### **Kotak Mahindra Capital Company Limited**

1<sup>st</sup> Floor, 27 BKC, Plot No. C – 27, ‘G’ Block

Bandra Kurla Complex, Bandra (East)

Mumbai 400051 Maharashtra, India

**Telephone:** + 91 22 4336 0000

**E-mail:** delhivery.ipo@kotak.com

**Investor grievance e-mail:** kmccredressal@kotak.com

**Website:** www.investmentbank.kotak.com

**Contact person:** Ganesh Rane

##### **Morgan Stanley India Company Private Limited**

18<sup>th</sup> Floor, Tower 2, One World Centre

Plot 841, Jupiter Textile Mill Compound

Senapati Bapat Marg, Lower Parel

Mumbai 400013 Maharashtra, India

**Tel:** +91 22 6118 1000

**E-mail:** delhivery\_ipo@morganstanley.com

**Investor Grievance e-mail:** investors\_india@morganstanley.com

**Website:** www.morganstanley.com

**Contact Person:** Malavika Nambiar

##### **BofA Securities India Limited**

Ground Floor, “A” Wing

One BKC, “G” Block

Bandra Kurla Complex

Bandra (East), Mumbai 400051

Maharashtra, India

**Telephone:** +91 22 6632 8000

**E-mail:** dg.delhivery\_ipo@bofa.com

**Website:** www.ml-india.com

**Investor Grievance e-mail:** dg.india\_merchantbanking@bofa.com

**Contact Person:** Sweta Birdika

##### **Citigroup Global Markets India Private Limited**

1202, 12<sup>th</sup> Floor,

First International Financial Centre

G-Block, C54 & 55,

Bandra Kurla Complex, Bandra (East)

Mumbai 400098

Maharashtra, India

**Tel:** +91 22 6175 9999

**E-mail:** delhivery.ipo@citi.com

**Investor Grievance e-mail:** investors.cgmib@citi.com

**Website:** www.online.citibank.co.in/rhtm/citigroupglobalscreen1.htm

**Contact person:** Keshav Tawari

#### **Statement of inter-se allocation of responsibilities amongst the BRLMs**

The responsibilities and coordination by the BRLMs for various activities in this Offer are as follows:

<b>S. No.</b>	<b>Activity</b>	<b>Responsibility</b>	<b>Co-ordination</b>
1.	Due diligence of the Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion	BRLMs	Kotak

S. No.	Activity	Responsibility	Co-ordination
	of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing		
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	BRLMs	Kotak
3.	Drafting and approval of all statutory advertisement	BRLMs	Kotak
4.	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	BRLMs	BofA Securities
5.	Appointment of intermediaries - Registrar to the Offer, advertising agency, Banker(s) to the Offer, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries	BRLMs	Citi
6.	Preparation of road show presentation and frequently asked questions	BRLMs	Morgan Stanley
7.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>• Marketing strategy;</li> <li>• Finalizing the list and division of investors for one-to-one meetings; and</li> <li>• Finalizing road show and investor meeting schedule</li> </ul>	BRLMs	Morgan Stanley, Citi
8.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>• Marketing strategy;</li> <li>• Finalizing the list and division of investors for one-to-one meetings; and</li> <li>• Finalizing road show and investor meeting schedule</li> </ul>	BRLMs	Kotak, BofA Securities
9.	Non-institutional marketing of the Offer, which will cover, <i>inter alia</i> , <ul style="list-style-type: none"> <li>• Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows;</li> <li>• Finalising centres for holding conferences for brokers, etc.;</li> <li>• Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and</li> <li>• Finalising collection centres</li> </ul>	BRLMs	Kotak
10.	Retail marketing of the Offer, which will cover, <i>inter alia</i> , <ul style="list-style-type: none"> <li>• Finalising media, marketing and public relations strategy including list of frequently asked questions at retail road shows;</li> <li>• Finalising centres for holding conferences for brokers, etc.;</li> <li>• Follow-up on distribution of publicity and Offer material including application form, the Prospectus and deciding on the quantum of the Offer material; and</li> </ul> Finalising collection centres	BRLMs	Kotak
11.	Coordination with Stock Exchanges for book building software, bidding terminals, mock trading, payment of 1% security deposit, anchor coordination, anchor CAN and intimation of anchor allocation	BRLMs	Citi
12.	Managing the book and finalization of pricing in consultation with the Company and Selling Shareholder	BRLMs	Morgan Stanley
13.	Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Offer, intimation of allocation and dispatch of refund to Bidders, etc. Other post-Offer activities, which shall involve essential follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising Company about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, Sponsor Bank, SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the final post-Offer report to SEBI, release of 1% security deposit post closure of the Offer	BRLMs	BofA Securities

## **Syndicate Members**

[•]

### **Legal Advisors to the Offer**

#### *Legal Counsel to the Company as to Indian Law*

##### **Shardul Amarchand Mangaldas & Co**

Amarchand Towers  
216, Okhla Industrial Estate Phase III  
New Delhi 110020 Delhi, India  
**Telephone:** +91 11 4159 0700

#### *Legal Counsel to the BRLMs as to Indian Law*

##### **Cyril Amarchand Mangaldas**

Level 1 & 2, Max Towers  
Plot No. C-001/A/1  
Sector 16B, Noida 201301  
Gautam Buddha Nagar  
Uttar Pradesh, India  
**Telephone:** +91 120 6699 000

#### *International Legal Advisers to the Company*

##### **Latham & Watkins LLP**

9 Raffles Place  
#42-02 Republic Plaza  
Singapore 048619  
**Telephone:** +65 6536 1161

#### *International Legal Advisers to the BRLMs*

##### **Linklaters Singapore Pte. Ltd.**

One George Street  
#17-01  
Singapore 049145  
**Telephone:** +65 6692 5891

#### *International Legal Advisers to SVF Doorbell (Cayman) Ltd*

##### **Morrison and Foerster LLP**

The Scalpel, 52 Lime Street  
London, United Kingdom, EC3M 7AF  
**Telephone:** +44 0 20 7920 4000

#### *Legal counsel to the Investor Selling Shareholders as to Indian law*

##### **Khaitan & Co**

Max Towers  
7<sup>th</sup> & 8<sup>th</sup> Floors  
Sector 16B Noida  
Gautam Buddh Nagar 201301  
Uttar Pradesh, India  
**Telephone:** +91 120 479 1000



*Legal Counsel to the Individual Selling Shareholders as to Indian law*

**Samvad Partners**

10 Sundar Nagar  
New Delhi 110003 Delhi, India  
**Telephone:** +91 11 4172 6200

**Registrar to the Offer**

**Link Intime India Private Limited**

C 101, 247 Park  
L.B.S. Marg, Vikhroli (West)  
Mumbai 400083  
Maharashtra, India  
**Telephone:** +91 22 4918 6200  
**E-mail:** delhivery.ipo@linkintime.co.in  
**Website:** www.linkintime.co.in  
**Investor Grievance e-mail:** delhivery.ipo@linkintime.co.in  
**Contact Person:** Shanti Gopalkrishnan  
**SEBI Registration No.:** INR000004058

**Bankers to the Offer**

**Escrow Collection Bank(s)**

[•]

**Public Offer Account Bank**

[•]

**Refund Bank**

[•]

**Sponsor Bank**

[•]

**Statutory Auditors to our Company**

**S.R. Batliboi & Associates LLP**

4<sup>th</sup> Floor, Office 405  
World Mark – 2, Asset No. 8  
IGI Airport Hospitality District, Aerocity  
New Delhi 110037 Delhi, India  
**Telephone:** +91 11 4681 9500  
**Email:** srba@srb.in  
**Peer Review number:** 013325  
**Firm Registration number:** 101049W/E300004

**Changes in Auditors**

There have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus.

## **Bankers to our Company**

### **HDFC Bank Limited**

Infrastructure Finance Group, 3<sup>rd</sup> Floor  
Vatika Atrium, A-Block  
Golf Course Road, Sector 53  
Gurugram 122002 Haryana, India  
**Telephone:** 0124 4664726  
**E-mail:** amit.rana@hdfcbank.com  
**Website:** www.hdfcbank.com  
**Contact Person:** Amit Rana

### **Axis Bank Limited**

Ground Floor, 005-008  
Cross Point, DLF Phase-IV  
Qutab Enclave Complex  
Gurgaon 122009 Haryana, India  
**Telephone:** 0124 4696570  
**E-mail:** dlfgurgaon.branchhead@axisbank.com  
**Website:** www.axisbank.com  
**Contact Person:** Amit Vishnoi

### **IndusInd Bank Limited**

Embassy Heights  
Bangalore 560025 Karnataka, India  
**Telephone:** 9964932738  
**E-mail:** singh.swati@indusind.com  
**Website:** www.indusind.com  
**Contact Person:** Swati Singh

### **ICICI Bank Limited**

ICICI Bank Ltd., Solitaire Plaza  
MG Road, DLF Phase III  
Gurugram 122001 Haryana, India  
**Telephone:** 0124 3366777  
**E-mail:** nishant.kmr@icicibank.com  
**Website:** www.icicibank.com  
**Contact Person:** Nishant Kumar

### **State Bank of India**

Corporate Accounts Group  
4<sup>th</sup> & 5<sup>th</sup> Floor, Parsvnath Capital Tower  
Bhai Veer Singh Marg, Gole Market  
New Delhi 110001 Delhi, India  
**Telephone:** 011 23475540  
**E-mail:** sbi.17313@sbi.co.in  
**Website:** www.sbi.co.in  
**Contact Person:** Vikash Kumar

### **Kotak Mahindra Bank Limited**

27 BKC, C-27, G-Block  
Bandra Kurla Complex, Bandra (E)  
Mumbai 400051 Maharashtra, India  
**Telephone:** 1860 266 2666  
**E-mail:** maneesh.jyoti@kotak.com  
**Website:** www.kotak.com  
**Contact Person:** Maneesh Jyoti

### **Self Certified Syndicate Banks**

The list of SCSBs is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> on the SEBI website, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

### **SCSBs enabled for UPI Mechanism**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35) as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

### **Broker Centres/ Designated CDP Locations/ Designated RTA Locations**

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Bidders (other than Anchor Investors) can submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and at the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. The list comprising the details of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and updated from time to time.

### **Grading of the Offer**

No credit agency registered with SEBI has been appointed for grading for the Offer.

### **Monitoring Agency**

Our Company will appoint a monitoring agency prior to the filing of the Red Herring Prospectus in accordance with Regulation 41 of the SEBI ICDR Regulations.

### **Expert**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated November 1, 2021 from S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, to the extent and in their capacity as our Statutory Auditors, and in respect of their (i)

examination report, dated October 13, 2021 on our Restated Financial Statements; and (ii) their report dated November 1, 2021 on the statement of special tax benefits with respect to our Company and its shareholders included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

B S R & Associates LLP, Chartered Accountants, has provided a written consent to include their name in this Draft Red Herring Prospectus, as required under Section 26(1) of the Companies Act as “expert”, as defined under section 2(38), in respect of their audit report dated October 31, 2021 on the Special Purpose Consolidated Financial Statements of Spoton, included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

B.B. & Associates, Chartered Accountants, has provided a written consent to include their name in this Draft Red Herring Prospectus, as required under Section 26(1) of the Companies Act as “expert”, as defined under Section 2(38) and, in respect of their statement of special tax benefits dated November 1, 2021 with respect to the Material Subsidiary, Spoton Logistics Private Limited and its shareholders, included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

### **Appraising Entity**

None of the objects for which the Net Proceeds will be utilised have been appraised by any bank/ financial institution.

### **Credit Rating**

As the Offer is of Equity Shares, credit rating is not required.

### **Debenture Trustees**

As the Offer is of Equity Shares, the appointment of debenture trustees is not required.

### **Green Shoe Option**

No green shoe option is contemplated under the Offer.

### **Book Building Process**

Book building, in the context of the Offer, refers to the process of collection of Bids from Bidder on the basis of this Draft Red Herring Prospectus, the Bid cum Application Forms and the Revision Forms within the Price Band which will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs and minimum Bid lot which will be decided by our Company, in consultation with the BRLMs and advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective website. The Offer Price shall be determined by our Company, in consultation with the BRLMs after the Bid/Offer Closing Date.

**All Investors (other than Anchor Investors) shall mandatorily participate in this Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process.**

**In terms of the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/ Offer Period. Except Allocation to Retail Individual Bidders and the Anchor Investors, Allocation in the Offer will be on a proportionate basis.** For further details on method and process of Bidding, see “*Offer Procedure*” and “*Offer Structure*” on page 525 and 521 respectively.

**The Book Building Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.**

Investors should note the Offer is also subject to obtaining final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under applicable law.

For an illustration of the Book Building Process, price discovery process and allocation, see “*Offer Procedure*” on page 525.

### **Underwriting Agreement**

After the determination of the Offer Price and determination of allocation of Equity Shares, but prior to filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into the Underwriting Agreement with the Underwriters and the Registrar for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each BRLM shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)*

<b>Name, address, telephone number and e-mail address of the Underwriters</b>	<b>Indicative number of Equity Shares to be Underwritten</b>	<b>Amount underwritten (₹ in million)</b>
[●]	[●]	[●]
[●]	[●]	[●]
<b>Total</b>	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and would be finalised after the pricing and actual allocation and subject to the provisions of Regulation 40(2) of the SEBI ICDR Regulations.

In the opinion of our Board (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board/ IPO Committee, at its meeting held on [●], has approved the execution of the Underwriting Agreement by our Company.

Allocation amongst the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to Investors procured by them in accordance with the Underwriting Agreement. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

## CAPITAL STRUCTURE

Details of the share capital of our Company, as on the date of this Draft Red Herring Prospectus, is set forth below.

(in ₹, except share data)		
Particulars	Aggregate nominal value	Aggregate value at Offer Price*
<b>A) AUTHORISED SHARE CAPITAL<sup>(1)</sup></b>		
873,502,280 Equity Shares of face value of ₹1 each	873,502,280	-
<i>Preference shares comprising:</i>		
300,000 preference shares of face value of ₹10 each	3,000,000	-
4,660,337 preference shares of face value of ₹100 each	466,033,700	-
<b>B) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER (PRIOR TO CONVERSION OF THE PREFERENCE SHARES)<sup>(2)</sup></b>		
191,186,100 Equity Shares of face value of ₹1 each <sup>(3)</sup>	191,186,100	-
4,250,045 preference shares of face value of ₹100 each	425,004,500	-
<b>C) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE OFFER (UPON CONVERSION OF THE PREFERENCE SHARES)<sup>(2)</sup></b>		
[●] Equity Shares of face value of ₹1 each	[●]	[●]
<b>D) PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
Offer of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹74,600 million	[●]	[●]
<i>Of which:</i>		
Fresh Issue of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹50,000 million <sup>(4)</sup>	[●]	[●]
Offer for Sale of up to [●] Equity Shares of face value of ₹1 each aggregating up to ₹24,600 million <sup>(5)</sup>	[●]	[●]
<i>Which includes:</i>		
Employee Reservation Portion of [●] Equity Shares of face value of ₹1 each aggregating to ₹[●] million <sup>(6)</sup>	[●]	[●]
<b>E) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE OFFER</b>		
[●] Equity Shares of face value of ₹1 each	[●]	[●]
<b>F) SECURITIES PREMIUM ACCOUNT (in ₹ million)</b>		
Before the Offer (as on the date of this Draft Red Herring Prospectus)		102,997.59
After the Offer		[●]

*To be updated upon finalisation of the Offer Price*

- (1) For details in relation to the changes in the authorised share capital of our Company, see “**History and Certain Corporate Matters – Amendments to the Memorandum of Association**” on page 190.
- (2) 217,562 Series B Preference Shares, 365,310 Series C Preference Shares, 653,551 Series D Preference Shares, 44,479 Series D1 Preference Shares, 801,139 Series E Preference Shares, 1,457,694 Series F Preference Shares, 563,349 Series H Preference Shares and 146,961 Series I Preference Shares shall be converted into 21,756,200 Equity Shares, 36,531,000 Equity Shares, 65,355,100 Equity Shares, 4,447,900 Equity Shares, 80,113,900 Equity Shares, 145,769,400 Equity Shares, 56,334,900 Equity Shares and 14,696,100 Equity Shares, respectively, i.e. an aggregate of 425,004,500 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.  
  
Further, our Company and FedEx have executed a share subscription agreement dated July 15, 2021, and a supplemental agreement thereto dated October 26, 2021 (collectively, “**Subscription Agreement**”) pursuant to which FedEx will subscribe to 20,914,500 Equity Shares, subject to certain closing conditions, including receipt of requisite regulatory approval.
- (3) This excludes the 425,004,500 Equity Shares which will result out of the conversion of Preference Shares held by certain shareholders of our Company as on date of the Draft Red Herring Prospectus prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.
- (4) The Fresh Issue has been authorised by a resolution of our Board dated October 13, 2021 and a resolution of our Shareholders dated October 15, 2021.
- (5) For details on authorisation of the Selling Shareholders in relation to their respective portion of the Offered Shares, see “**The Offer**” and “**Other Regulatory and Statutory Disclosures**” on pages 68 and 496, respectively.
- (6) In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to each such Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation up to ₹500,000), shall be added to the Net Offer.

## Notes to Capital Structure

### 1. Share Capital History

#### (a) *History of Equity Share capital of our Company*

The following table sets forth the history of the equity share capital of our Company:

Date of allotment	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
June 23, 2011	Initial subscription to the Memorandum of Association <sup>(1)</sup>	10,000	10	10	Cash
November 30, 2011	Further issue <sup>(2)</sup>	379,397	10	10	Cash
January 17, 2012	Further issue <sup>(3)</sup>	105,750	10	10	Cash
January 18, 2012	Further issue <sup>(4)</sup>	4,853	10	180	Cash
September 26, 2013	Preferential allotment <sup>(5)</sup>	200	10	780	Cash
September 9, 2014	Rights issue <sup>(6)</sup>	446,265	10	2,264.20	Cash
September 29, 2015	Exercise of stock options <sup>(7)</sup>	6,667	10	226	Cash
May 26, 2017	Exercise of stock options <sup>(8)</sup>	983	10	780	Cash
	Exercise of stock options <sup>(9)</sup>	500	10	6,000	Cash
	Exercise of stock options <sup>(10)</sup>	814	10	2,264.20	Cash
	Exercise of stock options <sup>(11)</sup>	200	10	453	Cash
	Exercise of stock options <sup>(12)</sup>	2,766	10	225.94	Cash
June 25, 2019	Exercise of stock options <sup>(13)</sup>	2,358	10	225.94	Cash
	Exercise of stock options <sup>(14)</sup>	5,063	10	1,163	Cash
	Exercise of stock options <sup>(15)</sup>	2,050	10	453	Cash
	Exercise of stock options <sup>(16)</sup>	448	10	1,509	Cash
	Exercise of stock options <sup>(17)</sup>	2,070	10	390	Cash
August 19, 2019	Exercise of stock options <sup>(18)</sup>	111	10	225.94	Cash
	Exercise of stock options <sup>(19)</sup>	743	10	453	Cash
	Exercise of stock options <sup>(20)</sup>	885	10	1,163	Cash
	Exercise of stock options <sup>(21)</sup>	1,625	10	1,509	Cash
	Exercise of stock options <sup>(22)</sup>	1,204	10	1,628	Cash
August 8, 2020	Conversion of Series A Preference Shares, Series B Preference Shares, Series C Preference Shares and Series D1 Preference	640,000	10	N.A.	N.A.

Date of allotment	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
	Shares into equity shares of face value of ₹10 each at a conversion ratio of one equity share for every preference share <sup>(23)</sup>				
August 22, 2020	Exercise of stock options <sup>(24)</sup>	25	10	2,985	Cash
	Exercise of stock options <sup>(25)</sup>	250	10	225.94	Cash
	Exercise of stock options <sup>(26)</sup>	1,093	10	453	Cash
	Exercise of stock options <sup>(27)</sup>	1,295	10	1,163	Cash
	Exercise of stock options <sup>(28)</sup>	996	10	1,509	Cash
	Exercise of stock options <sup>(29)</sup>	4,462	10	1,628	Cash
	Exercise of stock options <sup>(30)</sup>	1,050	10	1,163	Cash
December 11, 2020	Exercise of stock options <sup>(31)</sup>	175	10	453	Cash
February 3, 2021	Preferential allotment <sup>(32)</sup>	38,701*	10	18,965	Cash
February 19, 2021	Exercise of stock options <sup>(33)</sup>	130	10	225.94	Cash
	Exercise of stock options <sup>(34)</sup>	1,900	10	1,163	Cash
	Exercise of stock options <sup>(35)</sup>	122	10	1,509	Cash
	Exercise of stock options <sup>(36)</sup>	1,664	10	1,628	Cash
	Exercise of stock options <sup>(37)</sup>	65	10	2,985	Cash
March 12, 2021	Exercise of stock options <sup>(38)</sup>	800	10	1,509	Cash
	Exercise of stock options <sup>(39)</sup>	250	10	1,628	Cash
June 18, 2021	Exercise of stock options <sup>(40)</sup>	325	10	453	Cash
	Exercise of stock options <sup>(41)</sup>	461	10	1,509	Cash
	Exercise of stock options <sup>(42)</sup>	2,313	10	1,628	Cash
	Exercise of stock options <sup>(43)</sup>	1,257	10	2,985	Cash
August 3, 2021	Exercise of stock options <sup>(44)</sup>	13	10	2,985	Cash
September 24, 2021	Exercise of stock options <sup>(45)</sup>	9,545	10	2,985	Cash
	Exercise of stock options <sup>(46)</sup>	10,000	10	225.94	Cash
	Exercise of stock options <sup>(47)</sup>	2,850	10	453	Cash
	Exercise of stock options <sup>(48)</sup>	18,100	10	1,163	Cash
	Exercise of stock options <sup>(49)</sup>	800	10	1,509	Cash
	Exercise of stock options <sup>(50)</sup>	42,170	10	1,628	Cash



Date of allotment	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of consideration
September 24, 2021	Conversion of Series G Preference Shares into equity shares of face value of ₹10 each <sup>(51)</sup>	116,103	10	N.A.	N.A.
September 29, 2021	Bonus issue in the ratio of nine equity shares for every equity share <sup>(52)</sup>	16,846,803	10	N.A.	N.A.
Pursuant to shareholders' resolution dated September 29, 2021 each equity share of our Company of face value of ₹10 each was split into 10 Equity Shares of face value of ₹1 each. Therefore, an aggregate of 18,718,670 equity shares of ₹10 each were split into 187,186,700 Equity Shares of ₹1 each.					
October 22, 2021 <sup>#</sup>	Exercise of stock options <sup>(53)</sup>	675,900	1	2.26	Cash
	Exercise of stock options <sup>(54)</sup>	161,100	1	3.90	Cash
	Exercise of stock options <sup>(55)</sup>	315,000	1	15.09	Cash
	Exercise of stock options <sup>(56)</sup>	934,900	1	29.85	Cash
	Exercise of stock options <sup>(57)</sup>	1,704,400	1	16.28	Cash
	Exercise of stock options <sup>(58)</sup>	40,000	1	4.53	Cash
	Exercise of stock options <sup>(59)</sup>	168,100	1	11.63	Cash

\* These equity shares were partly paid-up at the time of allotment and were subsequently made fully paid-up.

<sup>#</sup> As on the date of this Draft Red Herring Prospectus, our Company is in the process of crediting the Equity Shares allotted pursuant to the exercise of employee stock options by the stock option holders of our Company under the ESOP I – 2012 on October 22, 2021 to their respective demat accounts.

- (1) 5,000 equity shares were allotted to Suraj Saharan and 5,000 equity shares were allotted to Nitin Dhingra.
- (2) 100,000 equity shares were allotted to Mohit Tandon, 90,000 equity shares were allotted to Suraj Saharan, 50,000 equity shares were allotted to Kapil Bharati, 131,750 equity shares were allotted to Sahil Barua and 7,647 equity shares were allotted to Abhishek Goyal.
- (3) 30,750 equity shares were allotted to Mohit Tandon, 35,750 equity shares were allotted to Suraj Saharan, 5,750 equity shares were allotted to Kapil Bharati and 33,500 equity shares were allotted to Bhavesh Kishor Manglani.
- (4) 2,500 equity shares were allotted to Nitin Dhingra and 2,353 equity shares were allotted to Abhishek Goyal.
- (5) 100 equity shares were allotted to Times Internet Limited and 100 equity shares were allotted to Nexus Ventures III Limited.
- (6) 446,165 equity shares were allotted to Multiples Private Equity Fund I Limited and 100 equity shares were allotted to Multiples Private Equity Fund.
- (7) 6,667 equity shares were allotted to Dinesh Advani, pursuant to exercise of options granted under ESOP I – 2012.
- (8) 983 equity shares were allotted to Vipin Tokas, pursuant to exercise of options granted under ESOP I – 2012.
- (9) 250 equity shares were allotted to each of Gautam Nath and Ankoor Das, pursuant to exercise of options granted under ESOP I – 2012.
- (10) 188 equity shares were allotted to Rohan Anand, 188 equity shares were allotted to Kanishk Dewan, 125 equity shares were allotted to Amir Hussain, 125 equity shares were allotted to Raghuvansh Gaurav, 188 equity shares were allotted to Vikas Mittal, pursuant to exercise of options granted under ESOP I – 2012.
- (11) 150 equity shares were allotted to Deepak Sukumar and 50 equity shares were allotted to Shivender Singh Thakur, pursuant to exercise of options granted under ESOP I – 2012.
- (12) 1,333 equity shares were allotted to Kanchana Chandiramani, 833 equity shares were allotted to Saurabh Malani and 600 equity shares were allotted to Srinivasan Krishnaswamy, pursuant to exercise of options granted under ESOP I – 2012.

- (13) 858 equity shares were allotted to Srinivasan Krishnaswamy, 250 equity shares were allotted to Hunny Ghade and 1,250 equity shares were allotted to Ajith Pai Mangalore, pursuant to exercise of options granted under ESOP I – 2012.
- (14) 700 equity shares were allotted to Nitin Gupta, 200 equity shares were allotted to Don Thomas, 2,144 equity shares were allotted to Santanu Bhattacharya, 725 equity shares were allotted to Aveek Nandi, 250 equity shares were allotted to Vivek Sharma and 1,044 equity shares were allotted to Sandeep Kumar Barasia, pursuant to exercise of options granted under ESOP I – 2012.
- (15) 500 equity shares were allotted to Akash Khattar, 400 equity shares were allotted to Nikhil Ummat, 400 equity shares were allotted to Sunny Raja, 375 equity shares were allotted to Abhishek Prabudha and 375 equity shares were allotted to Bhavneet Kaur, pursuant to exercise of options granted under ESOP I – 2012.
- (16) 15 equity shares were allotted to Akash Khattar, 58 equity shares were allotted to Ritesh Kumar Singh and 375 equity shares were allotted to Saurabh Malani, pursuant to exercise of options granted under ESOP I – 2012.
- (17) 1,750 equity shares were allotted to Sushant Kashyap and 320 equity shares were allotted to Gaurav Sharma, pursuant to exercise of options granted under ESOP I – 2012.
- (18) 111 equity shares were allotted to Atul Mathew, pursuant to exercise of options granted under ESOP I – 2012.
- (19) 75 equity shares were allotted to Dhruv Juneja, 237 equity shares were allotted to Rohit Mittal, 200 equity shares were allotted to Sagar Sachdeva, 13 equity shares were allotted to Shivender Singh Thakur and 218 equity shares were allotted to Anshul Kochar, pursuant to exercise of options granted under ESOP I – 2012.
- (20) 99 equity shares were allotted to Don Thomas, 500 equity shares were allotted to Deepak Agrahar, 111 equity shares were allotted to Kapil Kaushik, 131 equity shares were allotted to Nimish Sharma and 44 equity shares were allotted to Abhishek Dubey, pursuant to exercise of options granted under ESOP I – 2012.
- (21) 31 equity shares were allotted to Abdul Wasih, 31 equity shares were allotted to Alok Kumar Shukla, 46 equity shares were allotted to Sheikh Mohd Arif, 46 equity shares were allotted to Arpit Varshney, 15 equity shares were allotted to Dipti Ranjan Sahoo, 46 equity shares were allotted to Hari Kishan, 100 equity shares were allotted to Karthik Jayanthi, 46 equity shares were allotted to Prabhat Gidda, 46 equity shares were allotted to Pranay Prakash, 93 equity shares were allotted to Rajesh Choudhary, 46 equity shares were allotted to Sameep Dixit, 46 equity shares were allotted to Shikhar Kala, 62 equity shares were allotted to Shikhar Khattar, 4 equity shares were allotted to Srishti Agarwal, 31 equity shares were allotted to Satveer Singh, 15 equity shares were allotted to Gursheen Kaur Chawla, 66 equity shares were allotted to Akbar Mohammad, 125 equity shares were allotted to Marut Singh, 113 equity shares were allotted to Shailender Arya, 88 equity shares were allotted to Shri Krishan, 56 equity shares were allotted to Mallesh Goud, 66 equity shares were allotted to Bopanna K, 47 equity shares were allotted to Divesh Sadhwani, 66 equity shares were allotted to Presley Ferreira, 28 equity shares were allotted to Aayush Mattoo, 31 equity shares were allotted to Diksha Deora, 44 equity shares were allotted to Neha Goyal, 31 equity shares were allotted to Astha Satsangi, 113 equity shares were allotted to Harshit Malhotra and 47 equity shares were allotted to Raj Vijayan Kaleekal, pursuant to exercise of options granted under ESOP I – 2012.
- (22) 300 equity shares were allotted to Thota Nagadhar, 25 equity shares were allotted to Shubham Goyal, 33 equity shares were allotted to Pradeep Verma, 25 equity shares were allotted to Roushan Ranjan Giri, 32 equity shares were allotted to Manoj R Tripathi, 25 equity shares were allotted to Madhur Kumar, 40 equity shares were allotted to Kushal Vardhan, 25 equity shares were allotted to Kunal Rana, 23 equity shares were allotted to Piyush Chourasiya, 41 equity shares were allotted to Pradeep Kumar Jha, 32 equity shares were allotted to Anurag Paul, 100 equity shares were allotted to Shri Krishan, 40 equity shares were allotted to Parvez Abdul Gani Memon, 40 equity shares were allotted to Chirag Mehta, 32 equity shares were allotted to Mandeeep Singh, 23 equity shares were allotted to Rahul Beniwal, 55 equity shares were allotted to Dhiraj Kumar Pathak, 9 equity shares were allotted to Mallesh Goud, 40 equity shares were allotted to Bopanna K, 57 equity shares were allotted to Anshul Dhoundiyal, 32 equity shares were allotted to Kapil Varshney, 32 equity shares were allotted to Tapasya Tibrewal, 25 equity shares were allotted to Mukesh Kumar, 32 equity shares were allotted to Aayush Mattoo, 5 equity shares were allotted to Diksha Deora, 14 equity shares were allotted to Shailendra Kumar, 25 equity shares were allotted to Anjali, 25 equity shares were allotted to Abhijit Sinha and 17 equity shares were allotted to Dishant Gupta, pursuant to exercise of options granted under ESOP I – 2012.
- (23) 291,667 equity shares were allotted to Times Internet Limited pursuant to conversion of 291,667 Series A Preference Shares held by Times Internet Limited, 78,526 equity shares were allotted to Times Internet Limited pursuant to conversion of 78,526 Series B Preference Shares held by Times Internet Limited, 152,631 equity shares were allotted to Canada Pension Plan Investment Board pursuant to conversion of 152,631 Series B Preference Shares held by Canada Pension Plan Investment Board, 1,276 equity shares were allotted to Times Internet Limited pursuant to conversion of 1,276 Series C Preference Shares held by Times Internet Limited, 48,773 equity shares were allotted to Multiples Private Equity Fund pursuant to conversion of 48,773 Series C Preference Shares held by Multiples Private Equity Fund, 13,753 equity shares were allotted to SVF Doorbell (Cayman) Ltd pursuant to conversion of 13,753 Series C Preference Shares held by SVF Doorbell (Cayman) Ltd, 18,522 equity shares were allotted to Canada Pension Plan Investment Board pursuant to conversion of 18,522 Series C Preference Shares held by Canada Pension Plan Investment Board, 3,081 equity shares were allotted to AB Initio Capital, L.P. pursuant to conversion of 3,081 Series C Preference Shares held by AB Initio Capital, L.P., 27,719 equity shares were allotted to Alpine Opportunity Fund II, L.P. pursuant to conversion of 27,719 Series C Preference Shares held by Alpine Opportunity Fund II, L.P., 1,020 equity shares were allotted to Multiples Private Equity Fund pursuant to conversion of 1,020 Series D1 Preference Shares held by Multiples Private Equity Fund and 3,032 equity shares were allotted to Multiples Private Equity Fund I Limited pursuant to conversion of 3,032 Series D1 Preference Shares held by Multiples Private Equity Fund I Limited.

- (24) 25 equity shares were allotted to Abdul Khalid, pursuant to exercise of options granted under ESOP I – 2012.
- (25) 250 equity shares were allotted to Atul Mathew, pursuant to exercise of options granted under ESOP I – 2012.
- (26) 500 equity shares were allotted to Arun Bagawathi, 125 equity shares were allotted to Abhishek Prabudha, 263 equity shares were allotted to Rohit Mittal, 180 equity shares were allotted to Deepak Sukumar and 25 equity shares were allotted to Dhruv Juneja, pursuant to exercise of options granted under ESOP I – 2012.
- (27) 500 equity shares were allotted to Nishant Singh, 244 equity shares were allotted to Nimish Sharma, 281 equity shares were allotted to Vineet Singh, 150 equity shares were allotted to Anurag Dua and 120 equity shares were allotted to Jasmeet Marwah, pursuant to exercise of options granted under ESOP I – 2012.
- (28) 84 equity shares were allotted to Aakash Dia, 38 equity shares were allotted to Prabhat Gidda, 75 equity shares were allotted to Shikhar Khattar, 200 equity shares were allotted to Divya Puliani, 87 equity shares were allotted to Karthik Jayanthi, 75 equity shares were allotted to Ritesh Kumar Singh, 79 equity shares were allotted to Dheeraj Verma, 79 equity shares were allotted to Akash Khattar, 50 equity shares were allotted to Abdul Wasih, 38 equity shares were allotted to Hari Kishan, 19 equity shares were allotted to Gursheen Kaur Chawla, 28 equity shares were allotted to Kaushal Kishore Agrawal, 25 equity shares were allotted to Alok Kumar Shukla, 13 equity shares were allotted to Dipti Ranjan Sahoo, 38 equity shares were allotted to Shikhar Kala, 38 equity shares were allotted to Sameep Dixit and 30 equity shares were allotted to Sheikh Mohd Arif, pursuant to exercise of options granted under ESOP I – 2012.
- (29) 354 equity shares were allotted to Abhishek Prabudha, 316 equity shares were allotted to Aakash Dia, 91 equity shares were allotted to Rohit Mittal, 212 equity shares were allotted to Prabhat Gidda, 146 equity shares were allotted to Shikhar Khattar, 212 equity shares were allotted to Nishant Chug, 111 equity shares were allotted to Karthik Jayanthi, 70 equity shares were allotted to Ritesh Kumar Singh, 137 equity shares were allotted to Ridhi Agarwal, 114 equity shares were allotted to Raveesh Madan, 113 equity shares were allotted to Sumit Tokas, 91 equity shares were allotted to Varun Chaudhari, 85 equity shares were allotted to Ankit Shukla, 85 equity shares were allotted to Manvi Chopra, 82 equity shares were allotted to Aditya Singh, 77 equity shares were allotted to Tanvi Jain, 74 equity shares were allotted to Manan Kanodia, 74 equity shares were allotted to Rahul Mitawa, 19 equity shares were allotted to Abdul Wasih, 68 equity shares were allotted to Rajshekar N, 25 equity shares were allotted to Hari Kishan, 41 equity shares were allotted to Gursheen Kaur Chawla, 32 equity shares were allotted to Kaushal Kishore Agrawal, 59 equity shares were allotted to Shubhrika Srivastava, 56 equity shares were allotted to Abhishek A Abkari, 54 equity shares were allotted to Bharat, 54 equity shares were allotted to Kamal Kishor Gupta, 54 equity shares were allotted to G Krupa Sindhu, 54 equity shares were allotted to Shyam Krishna Sahu, 54 equity shares were allotted to Bhupinder Singh, 54 equity shares were allotted to Jason Paul, 54 equity shares were allotted to Rahul Verma, 54 equity shares were allotted to Chandan Kumar, 54 equity shares were allotted to Boopalan Padmanaban, 50 equity shares were allotted to Manoj Pandey, 25 equity shares were allotted to Alok Kumar Shukla, 45 equity shares were allotted to Sunny Sehgal, 45 equity shares were allotted to Vikas Upadhyay, 32 equity shares were allotted to Dipti Ranjan Sahoo, 45 equity shares were allotted to Vikram Singh Nandal, 44 equity shares were allotted to Amanullah Khan, 40 equity shares were allotted to Anshul Goyal, 37 equity shares were allotted to Kavya Suresh Surapaneni, 37 equity shares were allotted to Akash Raha, 37 equity shares were allotted to Gbm Krishna, 37 equity shares were allotted to Saurabh Thakur, 37 equity shares were allotted to Ram Naresh Chouhan, 37 equity shares were allotted to Gunjan Rani, 35 equity shares were allotted to Hemendra Pratap Singh, 29 equity shares were allotted to Deepak Kumar, 25 equity shares were allotted to Rohit Sharma, 25 equity shares were allotted to Saurabh Singh, 25 equity shares were allotted to Prabal Das Gupta, 25 equity shares were allotted to Ravi Yadav, 25 equity shares were allotted to Vikram Singh, 25 equity shares were allotted to Shantaram Ramane, 25 equity shares were allotted to Sourav Bathla, 25 equity shares were allotted to Sahil Anand, 25 equity shares were allotted to Gaurav Singh Chaudhary, 25 equity shares were allotted to Rahul Banerjee, 25 equity shares were allotted to Vishnu Prasad, 25 equity shares were allotted to Akash Deep Verma, 25 equity shares were allotted to Anil Kumar, 25 equity shares were allotted to Priyanka Utkarsha, 25 equity shares were allotted to Rohan Kalia, 25 equity shares were allotted to Amandeep Singh, 25 equity shares were allotted to Amber Singh K, 25 equity shares were allotted to G Rajasekhar Varma, 25 equity shares were allotted to Virat Sharma, 25 equity shares were allotted to Prathap Bhukya, 25 equity shares were allotted to Swatantra Kumar Srivastava, 20 equity shares were allotted to Manish Gupta, 20 equity shares were allotted to Virendra Singh Sisodiya, 19 equity shares were allotted to Vishal Joshi, 12 equity shares were allotted to Mukesh Ajaonkar, 12 equity shares were allotted to Parthiban N and 12 equity shares were allotted to Chandrapal Raghav, pursuant to exercise of options granted under ESOP I – 2012.
- (30) 1,050 equity shares were allotted to Sandeep Kumar Barasia, pursuant to exercise of options granted under ESOP I – 2012.
- (31) 175 equity shares were allotted to Arun Bagavathi, pursuant to exercise of options granted under ESOP I – 2012.
- (32) 5,340 equity shares were allotted to Sahil Barua, 5,341 equity shares were allotted to Sandeep Kumar Barasia, 5,340 equity shares were allotted to Ajith Pai Mangalore, 5,340 equity shares were allotted to Kapil Bharati, 5,340 equity shares were allotted to Amit Agarwal, 875 equity shares were allotted to Navneet Daga, 1,000 equity shares were allotted to Nikhil Ummat, 1,250 equity shares were allotted to Kumar Sunny Raja, 1,000 equity shares were allotted to Arun Bagavathi, 1,000 equity shares were allotted to Rajaganesh Sethupathi, 1,250 equity shares were allotted to Vikas Kapoor, 1,000 equity shares were allotted to Vikram Rawat, 875 equity shares were allotted to Kshitij Chopra, 1,000 equity shares were allotted to Nikhil Vij, 1,000 equity shares were allotted to Gurvinder Singh, 875 equity shares were allotted to Firoze Hussain and 875 equity shares were allotted to Srinivasan S.
- (33) 130 equity shares were allotted to Atul Mathai Mathew, pursuant to exercise of options granted under ESOP I – 2012.
- (34) 400 equity shares were allotted to Kshitij Chopra and 1,500 equity shares were allotted to Sandeep Kumar Barasia, pursuant to exercise of options granted under ESOP I – 2012.

- (35) 50 equity shares were allotted to Harshal Chandak, 19 equity shares were allotted to Sameep Dixit and 53 equity shares were allotted to Akash Khattar, pursuant to exercise of options granted under ESOP I – 2012.
- (36) 15 equity shares were allotted to Laltu Shaw, 25 equity shares were allotted to Shubham Lakhiwal, 12 equity shares were allotted to Virat Sharma, 12 equity shares were allotted to Prabal Dasgupta, 63 equity shares were allotted to Sridhar G, 16 equity shares were allotted to Gourav Yadav, 37 equity shares were allotted to Girijesh Joshi, 13 equity shares were allotted to Vikas Upadhyaya, 29 equity shares were allotted to Rahul Banerjee, 12 equity shares were allotted to Shantaram Ramane, 6 equity shares were allotted to Mukesh Ajgaonkar, 37 equity shares were allotted to Awanish Priyadarshi, 25 equity shares were allotted to Love Kumar, 25 equity shares were allotted to Ram Kishore Choudhary, 29 equity shares were allotted to Priyanka Utkarsha, 50 equity shares were allotted to Sameep Dixit, 12 equity shares were allotted to Vikram Singh, 25 equity shares were allotted to Devendra Ratnam, 25 equity shares were allotted to Tushar Bhogale, 37 equity shares were allotted to Shahroop Mirza, 38 equity shares were allotted to Swatantra Kumar Srivastava, 33 equity shares were allotted to Siddharath Dinesh Taidе, 25 equity shares were allotted to Ravi Yadav, 75 equity shares were allotted to Amit Kumar, 20 equity shares were allotted to Mayur Shyamrao More, 69 equity shares were allotted to Rajshekar N, 16 equity shares were allotted to Prachit Premkumar Chaudhari, 17 equity shares were allotted to Priyanka Puri, 38 equity shares were allotted to Saurabh Singh, 25 equity shares were allotted to Bharat Rajendra Bhagwanіa, 26 equity shares were allotted Sunil Singh, 20 equity shares were allotted to Manoj Pandey, 19 equity shares were allotted to Kavya Surapaneni, 5 equity shares were allotted to Rajat Bansal, 5 equity shares were allotted to Rohit Sharma, 113 equity shares were allotted to Nitish Gautam, 12 equity shares were allotted to Anil Kumar, 187 equity shares were allotted to Santanu Biswas, 15 equity shares were allotted to Sanjeev Pandey, 125 equity shares were allotted to Dingtang Tikhak, 33 equity shares were allotted to Harshal Gupta, 40 equity shares were allotted to Pranay Suwalka, 7 equity shares were allotted to Shivendra Swaroop, 13 equity shares were allotted to Raja S, 25 equity shares were allotted to P Dayaseela Vamsy, 25 equity shares were allotted to Amanullah Khan, 26 equity shares were allotted to Punit Malik, 17 equity shares were allotted to Dipak Chetry, 15 equity shares were allotted to Jason Paul, 25 equity shares were allotted to Amjad Khan and 50 equity shares were allotted to Vikash Singh Dahiya, pursuant to exercise of options granted under ESOP I – 2012.
- (37) 7 equity shares were allotted to Rajesh Singh and 58 equity shares were allotted to Rishit Jain, pursuant to exercise of options granted under ESOP I – 2012.
- (38) 300 equity shares were allotted to Nikhil Vij and 500 equity shares were allotted to Srinivasan S, pursuant to exercise of options granted under ESOP I – 2012.
- (39) 200 equity shares were allotted to Nikhil Vij and 50 equity shares were allotted to Srinivasan S, pursuant to exercise of options granted under ESOP I – 2012.
- (40) 325 equity shares were allotted to Arun Bagavathi, pursuant to exercise of options granted under ESOP I – 2012.
- (41) 38 equity shares were allotted to Prabhat Gidda, 19 equity shares were allotted to Sameep Dixit, 104 equity shares were allotted to Pranay Prakash and 300 equity shares were allotted to Vikram Singh Rawat, pursuant to exercise of options granted under ESOP I – 2012.
- (42) 500 equity shares were allotted to Arun Bagavathi, 512 equity shares were allotted to Nikhil Vij, 16 equity shares were allotted to Amanullah Khan, 3 equity shares were allotted to Love Kumar, 14 equity shares were allotted to Rahul Banerjee, 2 equity shares were allotted to Prachit Premkumar Chaudhari, 50 equity shares were allotted to Pranav Pandey, 13 equity shares were allotted to Virat Sharma, 13 equity shares were allotted to Prabal Dasgupta, 3 equity shares were allotted to Bharat Rajendra Bhagwanіa, 7 equity shares were allotted to Mukesh Ajgaonkar, 5 equity shares were allotted to Biplob Sarkar, 25 equity shares were allotted to Rajshekar N, 30 equity shares were allotted to Bharat, 10 equity shares were allotted to Laltu Shaw, 25 equity shares were allotted to Tahsildar Yadav, 66 equity shares were allotted to Prabhat Gidda, 6 equity shares were allotted to Sameep Dixit, 166 equity shares were allotted to Pranay Prakash, 13 equity shares were allotted to Chandra Pal Raghav, 165 equity shares were allotted to Bishwarup Mitra, 575 equity shares were allotted to Vikram Singh Rawat and 94 equity shares were allotted to Arpit Pokharna, pursuant to exercise of options granted under ESOP I – 2012.
- (43) 200 equity shares were allotted to Nikhil Vij, 550 equity shares were allotted to Navneet Daga, 8 equity shares were allotted to Manish Panwar, 21 equity shares were allotted to Abhilash C G, 33 equity shares were allotted to Rajshekar N, 14 equity shares were allotted to Piyush Sharma, 75 equity shares were allotted to Puneet Bagla, 75 equity shares were allotted to Anurag Garg, 125 equity shares were allotted to Bishwarup Mitra, 125 equity shares were allotted to Vikram Singh Rawat and 31 equity shares were allotted to Arpit Pokharna, pursuant to exercise of options granted under ESOP I – 2012.
- (44) 13 equity shares were allotted to Abhay Raj, pursuant to exercise of options granted under ESOP I – 2012.
- (45) 1,977 equity shares were allotted to Sandeep Kumar Barasia, 1,625 equity shares were allotted to Ajith Pai Mangalore, 1,815 equity shares were allotted to Amit Agarwal, 325 equity shares were allotted to Vikram Rawat, 2,000 equity shares were allotted to Vikas Kapoor, 275 equity shares were allotted to Kumar Sunny Raja, 250 equity shares were allotted to Arun Bagavathi, 500 equity shares were allotted to Kshitij Chopra, 250 equity shares were allotted to Rajaganesh Sethupathi, 200 equity shares were allotted to Navneet Daga, 266 equity shares were allotted to Gurvinder Singh and 62 equity shares were allotted to Firoze Zia Hussain, pursuant to exercise of options granted under ESOP I – 2012.
- (46) 5,000 equity shares were allotted to Ajith Pai Mangalore, 3,750 equity shares were allotted to Amit Agarwal and 1,250 equity shares were allotted to Vikas Kapoor, pursuant to exercise of options granted under ESOP I – 2012.
- (47) 2,250 equity shares were allotted to Ajith Pai Mangalore, 500 equity shares were allotted to Amit Agarwal and 100 equity shares were allotted to Kumar Sunny Raja, pursuant to exercise of options granted under ESOP I – 2012.

- (48) 13,500 equity shares were allotted to Sandeep Kumar Barasia, 3,600 equity shares were allotted to Kshitij Chopra and 1,000 equity shares were allotted to Rajaganesh Sethupathi, pursuant to exercise of options granted under ESOP I – 2012.
- (49) 250 equity shares were allotted to Vikas Kapoor, 250 equity shares were allotted to Kumar Sunny Raja and 300 equity shares were allotted to Firoze Zia Hussain, pursuant to exercise of options granted under ESOP I – 2012.
- (50) 10,000 equity shares were allotted to Sandeep Kumar Barasia, 20,000 equity shares were allotted to Ajith Pai Mangalore, 3,000 equity shares were allotted to Amit Agarwal, 25 equity shares were allotted to Vikram Rawat, 1,500 equity shares were allotted to Vikas Kapoor, 850 equity shares were allotted to Kumar Sunny Raja, 500 equity shares were allotted to Arun Bagavathi, 2,000 equity shares were allotted to Kshitij Chopra, 869 equity shares were allotted to Srinivasan S, 1,875 equity shares were allotted to Rajaganesh Sethupathi, 163 equity shares were allotted to Nikhil Vij and 1,388 equity shares were allotted to Firoze Zia Hussain, pursuant to exercise of options granted under ESOP I – 2012.
- (51) 16,020 equity shares were allotted to Sahil Barua pursuant to conversion of 6,408 Series G Preference Shares held by Sahil Barua, 16,020 equity shares were allotted to Sandeep Kumar Barasia pursuant to conversion of 6,408 Series G Preference Shares held by Sandeep Kumar Barasia, 16,023 equity shares were allotted to Ajith Pai Mangalore pursuant to conversion of 6,409 Series G Preference Shares held by Ajith Pai Mangalore, 16,020 equity shares were allotted to Kapil Bharati pursuant to conversion of 6,408 Series G Preference Shares held by Kapil Bharati, 16,020 equity shares were allotted to Amit Agarwal pursuant to conversion of 6,408 Series G Preference Shares held by Amit Agarwal, 2,625 equity shares were allotted to Navneet Daga pursuant to conversion of 1,050 Series G Preference Shares held by Navneet Daga, 3,000 equity shares were allotted to Nikhil Ummat pursuant to conversion of 1,200 Series G Preference Shares held by Nikhil Ummat, 3,750 equity shares were allotted to Kumar Sunny Raja pursuant to conversion of 1,500 Series G Preference Shares held by Kumar Sunny Raja, 3,000 equity shares were allotted to Arun Bagavathi pursuant to conversion of 1,200 Series G Preference Shares held by Arun Bagavathi, 3,000 equity shares were allotted to Rajaganesh Sethupathi pursuant to conversion of 1,200 Series G Preference Shares held by Rajaganesh Sethupathi, 3,750 equity shares were allotted to Vikas Kapoor pursuant to conversion of 1,500 Series G Preference Shares held by Vikas Kapoor, 3,000 equity shares were allotted to Vikram Rawat pursuant to conversion of 1,200 Series G Preference Shares held by Vikram Rawat, 2,625 equity shares were allotted to Kshitij Chopra pursuant to conversion of 1,050 Series G Preference Shares held by Kshitij Chopra, 3,000 equity shares were allotted to Nikhil Vij pursuant to conversion of 1,200 Series G Preference Shares held by Nikhil Vij, 3,000 equity shares were allotted to Gurvinder Singh pursuant to conversion of 1,200 Series G Preference Shares held by Gurvinder Singh, 2,625 equity shares were allotted to Firoze Hussain pursuant to conversion of 1,050 Series G Preference Shares held by Firoze Hussain and 2,625 equity shares were allotted to Srinivasan S pursuant to conversion of 1,050 Series G Preference Shares held by Srinivasan S.
- (52) Allotment of equity shares of face value of ₹10 each, by way of bonus issue, to such holders of equity shares of our Company, whose names appear in the list of beneficial owners on the record date, i.e. September 28, 2021.
- (53) 100,000 Equity Shares were allotted to Hunny Ghade, 541,700 Equity Shares were allotted to Amit Prakash Ambasta, and 34,200 Equity Shares were allotted to Atul Mathew, pursuant to exercise of options granted under ESOP I – 2012.
- (54) 75,000 Equity Shares were allotted to Vivek Gupta, and 86,100 Equity Shares were allotted to Sushant Kashyap, pursuant to exercise of options granted under ESOP I – 2012.
- (55) 25,000 Equity Shares were allotted to Hunny Ghade, 15,000 Equity Shares were allotted to Devender Dahiya, 8,700 Equity Shares were allotted to Akash Khattar, 30,000 Equity Shares were allotted to Atul Mathew, 10,000 Equity Shares were allotted to Mithun Chakraborty, 7,400 Equity Shares were allotted to Sheikh Mohd. Arif, 25,000 Equity Shares were allotted to Nikhil Ummat, 10,000 Equity Shares were allotted to Piyush Bagga, 2,200 Equity Shares were allotted to Dipti Ranjan Sahoo, 20,000 Equity Shares were allotted to Navneet Baweja, 2,800 Equity Shares were allotted to Prabhat Gidda, 10,000 Equity Shares were allotted to Siddharth Rampal, 15,000 Equity Shares were allotted to Anand Moram, 2,200 Equity Shares were allotted to Kaushal Kishore Agrawal, 3,800 Equity Shares were allotted to Arpit Varshney, 15,000 Equity Shares were allotted to Suniel Gondal, 5,600 Equity Shares were allotted to Kanika Sood, 5,000 Equity Shares were allotted to Prateek Saxena, 10,300 Equity Shares were allotted to Swati Chauhan, 25,000 Equity Shares were allotted to Don Thomas, 10,000 Equity Shares were allotted to Shubhkriti, 30,000 Equity Shares were allotted to Kabir Rustogi, 6,300 Equity Shares were allotted to Karthik Jayanthi and 20,700 Equity Shares were allotted to Rajesh Choudhary, pursuant to exercise of options granted under ESOP I – 2012.
- (56) 4,000 Equity Shares were allotted to Akshay Pandey, 3,800 Equity Shares were allotted to Anurag Garg, 4,000 Equity Shares were allotted to Arudra Vishen, 6,300 Equity Shares were allotted to Bishwarup Mitra, 2,400 Equity Shares were allotted to Devender Dahiya, 3,800 Equity Shares were allotted to Puneet Bagla, 15,100 Equity Shares were allotted to Amit Prakash Ambasta, 1,900 Equity Shares were allotted to Shyam Krishna Sahu, 4,300 Equity Shares were allotted to Akash Khattar, 6,100 Equity Shares were allotted to Vikram Singh Nandal, 9,100 Equity Shares were allotted to Vivek Gupta, 12,800 Equity Shares were allotted to Aditya Singh, 7,500 Equity Shares were allotted to Dimpny Soni, 1,000 Equity Shares were allotted to Manoj Pandey, 1,500 Equity Shares were allotted to Naveen Singh, 3,300 Equity Shares were allotted to Nidhi Mittal, 400 Equity Shares were allotted to Netra Pal Yadav, 7,600 Equity Shares were allotted to Mithun Chakraborty, 1,300 Equity Shares were allotted to Harshal Gupta, 2,600 Equity Shares were allotted to Shivani Varshney, 7,800 Equity Shares were allotted to Himanshu Shekhar, 400 Equity Shares were allotted to Kamaldeep Dhiman, 500 Equity Shares were allotted to Sahil Anand, 400 Equity Shares were allotted to Gourav Yadav, 5,900 Equity Shares were allotted to Yash Jalta, 500 Equity Shares were allotted to Pradeep Singh, 37,500 Equity Shares were allotted to Nikhil Ummat, 2,400 Equity Shares were allotted to Rahul Verma, 2,500 Equity Shares were allotted to Girijesh Joshi, 1,900 Equity Shares were allotted to Sumit Uppal, 13,100 Equity Shares were allotted to Piyush Bagga, 6,600 Equity Shares were allotted to Diwyanshu Agarwal, 500 Equity Shares were allotted to Dipti Ranjan Sahoo, 2,200 Equity Shares were allotted to Surender Kumar, 900 Equity Shares were allotted to Shahroop Mirza, 13,100 Equity Shares were allotted to Navneet Baweja, 15,000 Equity Shares were allotted to Prabhat Gidda, 3,800 Equity Shares were allotted to Siddharth Rampal, 3,800 Equity Shares were allotted to Rushil Soin, 1,300 Equity Shares were allotted to G Krupa Sindhu, 900 Equity Shares were allotted to Anurag Kumar, 4,700 Equity Shares

were allotted to Anand Moram, 5,100 Equity Shares were allotted to Kaushal Kishore Agrawal, 1,300 Equity Shares were allotted to Gourav Vij, 5,200 Equity Shares were allotted to Nishant Bhatia, 1,900 Equity Shares were allotted to Pawan Sharma, 4,800 Equity Shares were allotted to Sumiel Gondal, 1,900 Equity Shares were allotted to Amit Kumar, 1,400 Equity Shares were allotted to Prateek Saxena, 900 Equity Shares were allotted to Bharat Bhagwanina, 3,800 Equity Shares were allotted to Nitin Kumar Goyal, 2,500 Equity Shares were allotted to Ridhi Agarwal, 1,400 Equity Shares were allotted to Manan Kanodia, 400 Equity Shares were allotted to Mangesh Mohite, 1,300 Equity Shares were allotted to Shravan Mishra, 3,800 Equity Shares were allotted to Amanullah Khan, 9,200 Equity Shares were allotted to Dilip Reddy G., 600 Equity Shares were allotted to Rushikesh Shah, 5,000 Equity Shares were allotted to Varun Chaudhari, 3,300 Equity Shares were allotted to Preeti Grover, 3,800 Equity Shares were allotted to Sourav Bathla, 1,300 Equity Shares were allotted to Jeewan Singh Karki, 1,300 Equity Shares were allotted to Prachit Chaudhari, 2,400 Equity Shares were allotted to Amandeep Singh, 7,200 Equity Shares were allotted to Don Thomas, 900 Equity Shares were allotted to Ashish Kumar, 600 Equity Shares were allotted to Nitika Rani, 900 Equity Shares were allotted to Anshul Kumar, 5,200 Equity Shares were allotted to Nimal Nithyanandam, 6,700 Equity Shares were allotted to Shubhkriti, 4,400 Equity Shares were allotted to Vishal Gupta, 3,800 Equity Shares were allotted to Harshad Joshi, 1,200 Equity Shares were allotted to Nikhil Chavan, 17,500 Equity Shares were allotted to Kabir Rustogi, 9,400 Equity Shares were allotted to Karthik Jayanthi, 4,800 Equity Shares were allotted to Charu Sharma, 3,800 Equity Shares were allotted to Manav Gupta, 7,500 Equity Shares were allotted to Priyanka Utkarsha, 5,000 Equity Shares were allotted to Ankit Soni, 9,400 Equity Shares were allotted to Amber Singh K., 3,700 Equity Shares were allotted to Narendra Choudhary, 5,000 Equity Shares were allotted to Krishna Chandak, 18,800 Equity Shares were allotted to Akash Deep Verma, 7,200 Equity Shares were allotted to Rajesh Choudhary, 7,500 Equity Shares were allotted to Manish Saini, 7,200 Equity Shares were allotted to Jadeja Hemkumari Makansinh, 2,500 Equity Shares were allotted to Deepak Manglani, 16,900 Equity Shares were allotted to Santanu Biswas, 500 Equity Shares were allotted to Salman Khan, 7,500 Equity Shares were allotted to Vikas Upadhyay, 1,000 Equity Shares were allotted to Anshu Aditya, 1,400 Equity Shares were allotted to Namit Agrawal, 500 Equity Shares were allotted to Mandeep Singh Gulia, 6,800 Equity Shares were allotted to Arpit Pokharna, 1,100 Equity Shares were allotted to Eshant Shrivastava, 2,400 Equity Shares were allotted to Kartik Modi, 2,400 Equity Shares were allotted to Aditi Gupta, 1,900 Equity Shares were allotted to Nikhil Kumar Surendra Agarwal, 59,400 Equity Shares were allotted to Thota Nagadhar, 500 Equity Shares were allotted to Channa Krishna Murthy, 2,100 Equity Shares were allotted to Chetna Tomar, 3,600 Equity Shares were allotted to Gaurav Pandey, 1,100 Equity Shares were allotted to Sachin Bhogal, 11,300 Equity Shares were allotted to Prashant Bansal, 1,400 Equity Shares were allotted to Nikhil Gautam, 3,800 Equity Shares were allotted to Kushal Kedia, 1,400 Equity Shares were allotted to Apoorva Jain, 1,300 Equity Shares were allotted to Mayank Nayyar, 1,900 Equity Shares were allotted to Gaurav Katare, 2,500 Equity Shares were allotted to Sunil Kumar Negi, 1,300 Equity Shares were allotted to Mohit Juneja, 2,500 Equity Shares were allotted to Yogindar Pal Singh, 1,900 Equity Shares were allotted to Satyendra Dubey, 2,500 Equity Shares were allotted to Ashish Kulhari, 1,300 Equity Shares were allotted to Amrit Raj, 1,400 Equity Shares were allotted to Hemlata Aggarwal, 1,400 Equity Shares were allotted to Kanhaiya Lal, 5,600 Equity Shares were allotted to Shiv Brat Pandey, 800 Equity Shares were allotted to Neelesh Maheshwari, 2,400 Equity Shares were allotted to Harsh Garg, 6,700 Equity Shares were allotted to Supriya Uchil, 1,300 Equity Shares were allotted to Komal Agarwal, 10,100 Equity Shares were allotted to Anand Biswas, 1,300 Equity Shares were allotted to Piyush Verma, 18,800 Equity Shares were allotted to Rohan Anand, 1,900 Equity Shares were allotted to Aadesh Vijay Thakur, 1,900 Equity Shares were allotted to Kevin Dsouza, 10,000 Equity Shares were allotted to Mukta Limaye, 14,000 Equity Shares were allotted to Rupesh Agarwal, 8,000 Equity Shares were allotted to Sandeep Yadav, 11,300 Equity Shares were allotted to Vinod M. Kajrolkar, 1,900 Equity Shares were allotted to Abhishek Mohan Kulkarni, 1,900 Equity Shares were allotted to Ronald Varghese, 36,300 Equity Shares were allotted to Suresh Kumili, 2,500 Equity Shares were allotted to Ayush Sharma, 1,100 Equity Shares were allotted to Baneet Kumar, 1,300 Equity Shares were allotted to Mahesh Kumar, 800 Equity Shares were allotted to Navneet Kumar, 1,300 Equity Shares were allotted to Vikranth Vinod Siddamshetty, 1,300 Equity Shares were allotted to Maddala Nagaraju, 900 Equity Shares were allotted to Sridhar Patil, 1,300 Equity Shares were allotted to Amit Kumar, 10,400 Equity Shares were allotted to Abhishek Vanam, 600 Equity Shares were allotted to Mudit Gulati, 2,500 Equity Shares were allotted to Aditya Pratap Singh, 4,800 Equity Shares were allotted to Kalyankar Ajay Deepak, 3,800 Equity Shares were allotted to Kausik Tamuli, 7,500 Equity Shares were allotted to Harish Sharma, 4,800 Equity Shares were allotted to Kunja Bihari Joshi, 23,000 Equity Shares were allotted to Omesh M., 4,600 Equity Shares were allotted to Shikhar Gupta, 16,100 Equity Shares were allotted to Arvind Mohan, 20,700 Equity Shares were allotted to Rajiv Dinesh, 2,500 Equity Shares were allotted to Priyank Khare, 69,000 Equity Shares were allotted to Rohan Shanbhag, 11,300 Equity Shares were allotted to Hiralkumar Maheshchandra Vyas, 3,800 Equity Shares were allotted to Jonnalagadda Sankara Tejaswi, 2,500 Equity Shares were allotted to Shrey Vrajesh Shah, 22,500 Equity Shares were allotted to Anurag Dua, 7,500 Equity Shares were allotted to Suhani Singh pursuant to exercise of options granted under ESOP I – 2012.

- (57) 10,000 Equity Shares were allotted to Arudra Vishen, 2,500 Equity Shares were allotted to Bishwarup Mitra, 10,000 Equity Shares were allotted to Devender Dahiya, 50,000 Equity Shares were allotted to Amit Prakash Ambasta, 6,600 Equity Shares were allotted to Shyam Krishna Sahu, 12,000 Equity Shares were allotted to Dharmendra Prasad, 14,000 Equity Shares were allotted to Pardeep Kumar, 10,000 Equity Shares were allotted to Akash Khattar, 5,500 Equity Shares were allotted to Vikram Singh Nandal, 30,000 Equity Shares were allotted to Vivek Gupta, 16,800 Equity Shares were allotted to Aditya Singh, 23,800 Equity Shares were allotted to Dimpy Soni, 41,900 Equity Shares were allotted to Sagar Sachdeva, 9,400 Equity Shares were allotted to Manoj Pandey, 10,500 Equity Shares were allotted to Nidhi Mittal, 4,400 Equity Shares were allotted to Netra Pal Yadav, 14,400 Equity Shares were allotted to Mithun Chakraborty, 5,500 Equity Shares were allotted to Harshal Gupta, 4,600 Equity Shares were allotted to Akhilesh Kumar Jha, 30,000 Equity Shares were allotted to Sheikh Mohd. Arif, 23,400 Equity Shares were allotted to Himanshu Shekhar, 4,400 Equity Shares were allotted to Kamaldeep Dhiman, 7,500 Equity Shares were allotted to Sahil Anand, 2,800 Equity Shares were allotted to Gourav Yadav, 10,000 Equity Shares were allotted to Yash Jalta, 45,000 Equity Shares were allotted to Nikhil Ummat, 6,600 Equity Shares were allotted to Srinivas Anand R., 6,600 Equity Shares were allotted to Rahul Verma, 3,800 Equity Shares were allotted to Girijesh Joshi, 12,100 Equity Shares were allotted to Nitish Gautam, 23,100 Equity Shares were allotted to Sumit Uppal, 13,800 Equity Shares were allotted to Piyush Bagga, 23,400 Equity Shares were allotted to Diwyanshu Agarwal, 8,200 Equity Shares were allotted to Dipti Ranjan Sahoo, 6,600 Equity Shares were allotted to Sulabh Raj, 2,900 Equity Shares were allotted to Shahroop Mirza, 45,300 Equity Shares were allotted to Navneet Baweja, 32,200 Equity Shares were allotted to Prabhat Gidda, 4,300 Equity Shares were allotted to Rakesh Singh Chauhan, 12,000 Equity Shares were allotted to Siddharth Rampal, 10,000 Equity Shares were allotted to Rushil Soim, 6,600 Equity Shares were allotted to G. Krupa Sindhu, 6,600 Equity Shares were allotted to Anurag Kumar, 72,200 Equity Shares were allotted to Anand Moram, 3,800 Equity Shares were allotted to Kaushal Kishore Agrawal,

2,500 Equity Shares were allotted to Arpit Varshney, 10,000 Equity Shares were allotted to Karan Singh, 1,000 Equity Shares were allotted to Rajat Bansal, 10,500 Equity Shares were allotted to Gourav Vij, 4,400 Equity Shares were allotted to Nishant Bhatia, 25,000 Equity Shares were allotted to Pawan Sharma, 13,400 Equity Shares were allotted to Vipul Maheshwari, 23,400 Equity Shares were allotted to Suniel Gondal, 2,900 Equity Shares were allotted to Kanika Sood, 21,300 Equity Shares were allotted to Amit Kumar, 12,600 Equity Shares were allotted to Rahul Mitawa, 7,000 Equity Shares were allotted to Prateek Saxena, 15,000 Equity Shares were allotted to Ravi Shankar Burmwal, 1,000 Equity Shares were allotted to Matta Laxmi Gangadhar, 5,800 Equity Shares were allotted to Swati Chauhan, 3,800 Equity Shares were allotted to Bharat Bhagwania, 10,000 Equity Shares were allotted to Nitin Kumar Goyal, 16,300 Equity Shares were allotted to Ridhi Agarwal, 10,400 Equity Shares were allotted to Bhupinder Singh, 12,600 Equity Shares were allotted to Manan Kanodia, 6,100 Equity Shares were allotted to Amanullah Khan, 37,200 Equity Shares were allotted to Varun Chaudhari, 2,000 Equity Shares were allotted to Sunny Sehgal, 21,900 Equity Shares were allotted to Vikas Dhawan, 7,500 Equity Shares were allotted to Sourav Bathla, 2,600 Equity Shares were allotted to Prachit Chaudhari, 7,500 Equity Shares were allotted to Amandeep Singh, 60,000 Equity Shares were allotted to Don Thomas, 6,600 Equity Shares were allotted to Ashish Kumar, 12,000 Equity Shares were allotted to Shashi Kant, 4,400 Equity Shares were allotted to Nitika Rani, 13,700 Equity Shares were allotted to Shilpa Gogia, 6,600 Equity Shares were allotted to Anshul Kumar, 3,800 Equity Shares were allotted to Rohan Kalia, 6,800 Equity Shares were allotted to Kapil Kaushik, 10,000 Equity Shares were allotted to Nimal Nithyanandam, 5,600 Equity Shares were allotted to Rishi Kad, 12,000 Equity Shares were allotted to Harshad Joshi, 2,200 Equity Shares were allotted to Nikhil Chavan, 10,900 Equity Shares were allotted to Raghvendra Dhar Dubey, 28,700 Equity Shares were allotted to Kabir Rustogi, 23,900 Equity Shares were allotted to Karthik Jayanthi, 5,000 Equity Shares were allotted to Vinay Kumar Singh, 9,000 Equity Shares were allotted to Priyanka Utkarsha, 7,500 Equity Shares were allotted to Amber Singh K., 7,100 Equity Shares were allotted to Shubhrika Srivastava, 2,000 Equity Shares were allotted to Kavya Suresh Surapaneni, 7,500 Equity Shares were allotted to Akash Deep Verma, 30,000 Equity Shares were allotted to Rajesh Choudhary, 3,700 Equity Shares were allotted to Saurabh Singh, 8,200 Equity Shares were allotted to Umesh Chander Sharma, 17,600 Equity Shares were allotted to Ravi Hans Jora, 6,800 Equity Shares were allotted to Rohit Sharma, 4,100 Equity Shares were allotted to P. Dayaseela Vamsy, 31,300 Equity Shares were allotted to Santanu Biswas, 1,500 Equity Shares were allotted to Kamal Garg, 4,200 Equity Shares were allotted to Vikas Upadhyay, 5,000 Equity Shares were allotted to Vikash Singh Dahiya, 5,000 Equity Shares were allotted to Jaininder Alavadi, 23,400 Equity Shares were allotted to Akshay Jain, 3,700 Equity Shares were allotted to Arpit Pokharna, 12,200 Equity Shares were allotted to Sahil Jain, 20,400 Equity Shares were allotted to Nikhil Kumar Surendra Agarwal, 220,000 Equity Shares were allotted to Thota Nagadhar, 7,900 Equity Shares were allotted to Gaurav Yadav, 19,800 Equity Shares were allotted to Venkatesh Prabhakar Shenoy, 6,100 Equity Shares were allotted to Sukhvir Chauhan, 10,000 Equity Shares were allotted to Anurag Dua, and 20,000 Equity Shares were allotted to Suhani Singh, pursuant to exercise of options granted under ESOP I – 2012.

(58) 30,000 Equity Shares were allotted to Sagar Sachdeva and 10,000 Equity Shares were allotted to Nikhil Ummat, pursuant to exercise of options granted under ESOP I – 2012.

(59) 15,000 Equity Shares were allotted to Aveek Nandi, 50,000 Equity Shares were allotted to Nishant Singh, 10,100 Equity Shares were allotted to Don Thomas, 24,100 Equity Shares were allotted to Shilpa Gogia, 13,900 Equity Shares were allotted to Kapil Kaushik, 30,000 Equity Shares were allotted to Kabir Rustogi and 25,000 Equity Shares were allotted to Anurag Dua, pursuant to exercise of options granted under ESOP I – 2012.

**(b) History of preference share capital of our Company**

The following table sets forth the history of the preference share capital of our Company:

Date of allotment	Reason / Nature of allotment	No. of preference shares	Face value per preference share (₹)	Issue price per preference share (₹)	Nature of consideration
<b>Series A Preference Shares of face value ₹10 each</b>					
April 30, 2012	Further allotment <sup>(1)</sup>	132,779	10	225.94	Cash
November 1, 2012	Further allotment <sup>(2)</sup>	158,888	10	225.94	Cash
August 8, 2020	291,667 Series A Preference Shares were converted into 291,667 equity shares of face value of ₹10 each at a conversion ratio of one equity share for every preference share <sup>(3)</sup>				
<b>Series B Preference Shares of face value ₹100 each<sup>(4)</sup></b>					
September 26, 2013	Further allotment <sup>(5)</sup>	448,719	100	780	Cash
August 8, 2020	231,157 Series B Preference Shares were converted into 231,157 equity shares of face value of ₹10 each at a conversion ratio of one equity share for every preference share <sup>(6)</sup>				
<b>Series C Preference Shares of face value ₹100 each<sup>(7)</sup></b>					
September 9, 2014	Rights issue <sup>(8)</sup>	478,434	100	2,264.20	Cash
August 8, 2020	113,124 Series C Preference Shares were converted into 113,124 equity shares of face value of ₹10 each at a conversion ratio of one equity share for every preference share <sup>(9)</sup>				
<b>Series D Preference Shares of face value ₹100 each<sup>(10)</sup></b>					
May 8, 2015	Rights issue <sup>(11)</sup>	653,551	100	7,850	Cash
<b>Series D1 Preference Shares of face value ₹100 each<sup>(12)</sup></b>					



Date of allotment	Reason / Nature of allotment	No. of preference shares	Face value per preference share (₹)	Issue price per preference share (₹)	Nature of consideration
October 17, 2016	Rights issue <sup>(13)</sup>	48,531	100	10,059	Cash
August 8, 2020	4,052 Series D1 Preference Shares were converted into 4,052 equity shares of face value of ₹10 each <sup>(14)</sup>				
<b>Series E Preference Shares of face value ₹100 each<sup>(15)</sup></b>					
March 22, 2017	Rights issue <sup>(16)</sup>	640,911	100	10,847	Cash
May 19, 2017	Rights issue <sup>(17)</sup>	160,228	100	10,847	Cash
<b>Series F Preference Shares of face value ₹100 each<sup>(18)</sup></b>					
March 7, 2019	Preferential allotment <sup>(19)</sup>	158,831	100	19,970.52	Cash
	Preferential allotment <sup>(20)</sup>	1,235,331	100	19,824.57	Cash
March 29, 2019	Preferential allotment <sup>(21)</sup>	63,532	100	19,503.87	Cash
<b>Series G Preference Shares of face value ₹100 each</b>					
February 3, 2021	Preferential allotment <sup>(22)</sup>	46,441*	100	22,615	Cash
September 24, 2021	46,441 Series G Preference Shares were converted into 116,103 equity shares of face value of ₹10 each at a conversion ratio of 1:2.5 <sup>(23)</sup>				
<b>Series H Preference Shares of face value ₹100 each<sup>(24)</sup></b>					
May 31, 2021	Preferential allotment <sup>(25)</sup>	563,349	100	35,655	Cash
<b>Series I Preference Shares of face value of ₹100 each<sup>(26)</sup></b>					
September 2, 2021	Preferential allotment <sup>(27)</sup>	146,961	100	38,000	Cash

\* These preference shares were partly paid at the time of allotment and were subsequently made fully paid-up.

- (1) Allotment of 132,779 Series A Preference Shares to Times Internet Limited.
- (2) Allotment of 158,888 Series A Preference Shares to Times Internet Limited.
- (3) 291,667 Series A Preference Shares held by Times Internet Limited were converted into 291,667 equity shares of face value of ₹10 each.
- (4) All outstanding Series B Preference Shares shall be converted into 21,756,200 fully paid-up Equity Shares of face value of ₹1 each prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.
- (5) Allotment of 78,526 Series B Preference Shares to Times Internet Limited and 370,193 Series B Preference Shares to Nexus Ventures III Limited.
- (6) 78,526 Series B Preference Shares held by Times Internet Limited were converted into 78,526 equity shares of face value of ₹10 each and 152,631 Series B Preference Shares held by Canada Pension Plan Investment Board were converted into 152,631 equity shares of face value of ₹10 each.
- (7) All outstanding Series C Preference Shares shall be converted into 36,531,000 fully paid-up Equity Shares of face value of ₹1 each prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.
- (8) Allotment of 149,973 Series C Preference Shares to Multiples Private Equity Fund, 262,212 Series C Preference Shares to Nexus Ventures III, Ltd. and 66,249 Series C Preference Shares to Times Internet Limited.
- (9) 1,276 Series C Preference Shares held by Times Internet Limited were converted into 1,276 equity shares of face value of ₹10 each, 48,773 Series C Preference Shares held by Multiples Private Equity Fund were converted into 48,773 equity shares of face value of ₹10 each, 13,753 Series C Preference Shares held by SVF Doorbell (Cayman) Ltd were converted into 13,753 equity shares of face value of ₹10 each, 18,522 Series C Preference Shares held by Canada Pension Plan Investment Board were converted into 18,522 equity shares of face value of ₹10 each, 3,081 Series C Preference Shares held by AB Initio Capital, L.P. were converted into 3,081 equity shares of face value of ₹10 each and 27,719 Series C Preference Shares held by Alpine Opportunity Fund II, L.P. were converted into 27,719 equity shares of face value of ₹10 each.
- (10) All outstanding Series D Preference Shares shall be converted into 65,355,100 fully paid-up Equity Shares of face value of ₹1 each prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.



- (11) Allotment of 14,615 Series D Preference Shares to Multiples Private Equity Fund, 43,450 Series D Preference Shares to Multiples Private Equity Fund I Limited, 94,194 Series D Preference Shares to Nexus Ventures III, Ltd., 80,000 Series D Preference Shares to Nexus Opportunity Fund Ltd, 32,259 Series D Preference Shares to Times Internet Limited and 389,033 Series D Preference Shares to Internet Fund III Pte. Ltd.
- (12) All outstanding Series D1 Preference Shares shall be converted into 4,447,900 fully paid-up Equity Shares of face value of ₹1 each prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.
- (13) Allotment of 1,898 Series D1 Preference Shares to Multiples Private Equity Fund, 5,644 Series D1 Preference Shares to Multiples Private Equity Fund I Limited, 6,661 Series D1 Preference Shares to Nexus Opportunity Fund Ltd, 19,983 Series D1 Preference Shares to Times Internet Limited and 14,345 Series D Preference Shares to Internet Fund III Pte. Ltd.
- (14) 1,020 Series D1 Preference Shares held by Multiples Private Equity Fund were converted into 1,020 equity shares of face value of ₹10 each and 3,032 Series D1 Preference Shares held by Multiples Private Equity Fund I Limited were converted into 3,032 equity shares of face value of ₹10 each.
- (15) All outstanding Series E Preference Shares shall be converted into 80,113,900 fully paid-up Equity Shares of face value of ₹1 each prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.
- (16) Allotment of 145,827 Series E Preference Shares to Internet Fund III Pte. Ltd. and 495,084 Series E Preference Shares to CA Swift Investments.
- (17) Allotment of 160,228 Series E Preference Shares to Deli CMF Pte. Ltd.
- (18) All outstanding Series F Preference Shares shall be converted into 145,769,400 fully paid-up Equity Shares of face value of ₹1 each prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.
- (19) Allotment of 158,831 Series F Preference Shares to CA Swift Investments.
- (20) Allotment of 1,235,331 Series F Preference Shares to SVF Doorbell (Cayman) Ltd
- (21) Allotment of 63,532 Series F Preference Shares to Deli CMF Pte. Ltd.
- (22) Allotment of 6,408 Series G Preference Shares to Sahil Barua, 6,408 Series G Preference Shares to Sandeep Kumar Barasia, 6,409 Series G Preference Shares to Ajith Pai Mangalore, 6,408 Series G Preference Shares to Kapil Bharati, 6,408 Series G Preference Shares to Amit Agarwal, 1,050 Series G Preference Shares to Navneet Daga, 1,200 Series G Preference Shares to Nikhil Ummat, 1,500 Series G Preference Shares to Kumar Sunny Raja, 1,200 Series G Preference Shares to Arun Bagavathi, 1,200 Series G Preference Shares to Rajaganesh Sethupathi, 1,500 Series G Preference Shares to Vikas Kapoor, 1,200 Series G Preference Shares to Vikram Rawat, 1,050 Series G Preference Shares to Kshitij Chopra, 1,200 Series G Preference Shares to Nikhil Vij, 1,200 Series G Preference Shares to Gurvinder Singh, 1,050 Series G Preference Shares to Firoze Hussain and 1,050 Series G Preference Shares to Srinivasan S.
- (23) 6,408 Series G Preference Shares held by Sahil Barua were converted into 16,020 equity shares of face value of ₹10 each, 6,408 Series G Preference Shares held by Sandeep Kumar Barasia were converted into 16,020 equity shares of face value of ₹10 each, 6,409 Series G Preference Shares held by Ajith Pai Mangalore were converted into 16,023 equity shares of face value of ₹10 each, 6,408 Series G Preference Shares held by Kapil Bharati were converted into 16,020 equity shares of face value of ₹10 each, 6,408 Series G Preference Shares held by Amit Agarwal were converted into 16,020 equity shares of face value of ₹10 each, 1,050 Series G Preference Shares held by Navneet Daga were converted into 2,625 equity shares of face value of ₹10 each, 1,200 Series G Preference Shares held by Nikhil Ummat were converted into 3,000 equity shares of face value of ₹10 each, 1,500 Series G Preference Shares held by Kumar Sunny Raja were converted into 3,750 equity shares of face value of ₹10 each, 1,200 Series G Preference Shares held by Arun Bagavathi were converted into 3,000 equity shares of face value of ₹10 each, 1,200 Series G Preference Shares held by Rajaganesh Sethupathi were converted into 3,000 equity shares of face value of ₹10 each, 1,500 Series G Preference Shares held by Vikas Kapoor were converted into 3,750 equity shares of face value of ₹10 each, 1,200 Series G Preference Shares held by Vikram Rawat were converted into 3,000 equity shares of face value of ₹10 each, 1,050 Series G Preference Shares held by Kshitij Chopra were converted into 2,625 equity shares of face value of ₹10 each, 1,200 Series G Preference Shares held by Nikhil Vij were converted into 3,000 equity shares of face value of ₹10 each, 1,200 Series G Preference Shares held by Gurvinder Singh were converted into 3,000 equity shares of face value of ₹10 each, 1,050 Series G Preference Shares held by Firoze Hussain were converted into 2,625 equity shares of face value of ₹10 each and 1,050 Series G Preference Shares held by Srinivasan S were converted into 2,625 equity shares of face value of ₹10 each.
- (24) All outstanding Series H Preference Shares shall be converted into 56,334,900 fully paid-up Equity Shares of face value of ₹1 each prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.
- (25) Allotment of 24,696 Series H Preference Shares to Fidelity Securities Fund – Fidelity Blue Chip Growth Fund, 955 Series H Preference Shares to Fidelity Group Trust for Employee Benefit Plans: Fidelity Blue Chip Growth Commingled Pool, 55,947 Series H Preference Shares to Fidelity Contrafund: Fidelity Contrafund, 17,180 Series H Preference Shares to Fidelity Group Trust for Employee Benefit Plans: Fidelity Contrafund Commingled Pool, 10,397 Series H Preference Shares to Fidelity Advisor Series I: Fidelity Advisor Growth Opportunities Fund, 8,100 Series H Preference Shares to Fidelity Contrafund: Fidelity Advisor New Insights Fund, 2,472 Series H Preference Shares to Fidelity Contrafund: Fidelity Advisor New Insights Fund, 6,466 Series H Preference Shares to Fidelity Mt. Vernon Street Trust: Fidelity Series Growth Company Fund, 3,262

Series H Preference Shares to Fidelity Contrafund: Fidelity Series Opportunistic Insights Fund, 30,431 Series H Preference Shares to Fidelity Group Trust for Employee Benefit Plans: Fidelity Growth Company Commingled Pool, 714 Series H Preference Shares to Fidelity Group Trust for Employee Benefit Plans: Fidelity International Discovery Commingled Pool, 5,790 Series H Preference Shares to Fidelity Select Portfolios – Technology Portfolio, 5,460 Series H Preference Shares to Variable Insurance Products Fund II: Contrafund Portfolio, 29,691 Series H Preference Shares to Fidelity Mt. Vernon Street Trust: Fidelity Growth Company Fund, 4,860 Series H Preference Shares to Fidelity Mt. Vernon Street Trust Fidelity Growth Company K6 Fund, 2,037 Series H Preference Shares to Fidelity Investment Trust – Fidelity Worldwide Fund, 1,519 Series H Preference Shares to Variable Insurance Products Fund III: Growth Opportunities Portfolio, 57 Series H Preference Shares to Fidelity Securities Fund: Fidelity Flex Large Cap Growth Fund, 2,719 Series H Preference Shares to Fidelity Securities Fund; Fidelity Blue Chip Growth K6 Fund, 9,242 Series H Preference Shares to Fidelity Contrafund: Fidelity Contrafund K6, 221 Series H Preference Shares to Fidelity Puritan Trust: Fidelity Balanced K6 Fund, 15,189 Series H Preference Shares to Fidelity Puritan Trust: Fidelity Balanced Fund, 11 Series H Preference Shares to Fidelity Contrafund: Fidelity Flex Opportunistic Insights Fund, 10,208 Series H Preference Shares to Fidelity Investment Trust: Fidelity International Discovery Fund, 173 Series H Preference Shares to Fidelity Investment Trust: Fidelity International Discovery K6 Fund, 358 Series H Preference Shares to Fidelity Advisor Series I: Fidelity Advisor Series Growth Opportunities Fund, 3,014 Series H Preference Shares to Fidelity Insights Investment Trust, 2,947 Series H Preference Shares to Fidelity Securities Fund: Fidelity Series Blue Chip Growth Fund, 1,952 Series H Preference Shares to FIAM Group Trust for Employee Benefit Plans: FIAM Target Date Blue Chip Growth Commingled Pool, 153,640 Series H Preference Shares to Gannat Pte. Ltd., 102,427 Series H Preference Shares to Chimera Investment LLC and 51,214 Series H Preference Shares to Pacific Horizon Investment Trust Plc.

(26) All outstanding Series I Preference Shares shall be converted into 14,696,100 fully paid-up Equity Shares of face value of ₹1 each prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

(27) Allotment of 133,328 Series I Preference Shares to Suedasien Investmentfonds A, Ltd and 13,633 Series I Preference Shares to Suedasien Investmentfonds B, Ltd.

## 2. Shares issued for consideration other than cash or by way of bonus

Except as disclosed below, our Company has not issued any equity shares or preference shares for consideration other than cash or by way of bonus issue at any time since incorporation:

Date of allotment	Reason / Nature of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Benefits accrued to our Company
September 29, 2021	Bonus issue in the ratio of nine equity shares for every equity share <sup>(1)</sup>	16,846,803	10	N.A.	N.A.

<sup>(1)</sup> Allotment of equity shares of face value of ₹10 each, by way of bonus issue, to such holders of equity shares of our Company, whose names appear in the list of beneficial owners on the record date, i.e. September 28, 2021.

## 3. Shares issued out of revaluation reserves

Our Company has not issued any shares out of revaluation reserves since its incorporation.

## 4. Issue of equity shares pursuant to Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013

Our Company has not allotted any equity shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013.

## 5. Equity shares issued at a price lower than the Offer Price in the last year

Except as mentioned above under “ – Notes to Capital Structure” on page 88, our Company has not issued any equity shares at a price which may be lower than the Offer Price during a period of one year preceding the date of this Draft Red Herring Prospectus.

## 6. Issue of equity shares under employee stock option schemes

For details of equity shares issued by our Company pursuant to the exercise of options which have been granted under the ESOP Schemes, see “ – Notes to Capital Structure – History of Equity Share capital of our Company” above.

## 7. Details of Lock-in

### a) *Details of Equity Shares locked-in for eighteen months*

Our Company is a professionally managed company and does not have an identifiable promoter in terms of the SEBI ICDR Regulations and the Companies Act, 2013. Accordingly, in terms of Regulation 14(1) of the SEBI ICDR Regulations, there is no requirement of minimum promoter's contribution in this Offer and accordingly, none of the Equity Shares will be locked in for a period of eighteen months pursuant to the Offer.

### b) *Details of Equity Shares locked-in for six months*

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer equity share capital will be locked-in for a period of six months from the date of Allotment, other than (a) Equity Shares which are transferred as part of the Offer for Sale, (b) Equity Shares allotted to employees, whether currently an employee or not, pursuant to the ESOP Schemes prior to the Offer, and (c) any Equity Shares held by a venture capital fund (“VCF”) or alternative investment fund (“AIF”) of category I or category II or a FVCI, as applicable, provided that such Equity Shares shall be locked in for a period of at least six months from the date of purchase by such shareholders. Accordingly, subject to completion of the six months holding period from the date of purchase, all Equity Shares held by Avendus Future Leaders Fund shall be exempt from the aforementioned lock-in requirement since it is an AIF of category II. Further, any unsold portion of the Equity Shares offered pursuant to the Offer for Sale will be locked-in as required under the SEBI ICDR Regulations.

The Equity Shares held by any person and locked-in for a period of six months from the date of Allotment in the Offer may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

### c) *Lock-in of Equity Shares Allotted to Anchor Investors*

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

### d) *Other Requirements in respect of Lock-in*

In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Shareholders prior to the Offer and locked-in for a period of six months may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the applicable lock-in and the transferee being ineligible to transfer such Equity Shares until expiry of the lock-in period, and compliance with the provisions of the Takeover Regulations.

## 8. Our shareholding pattern

The table below represents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus\*:

Category	Category of Shareholder	Number of Shareholders	No. of fully paid up Equity Shares held	No. of partly paid-up Equity Shares held	No. of shares underlying	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of voting rights held in each class of securities			No. of Shares Underlying	Shareholding as a % assuming full conversion of convertible securities	Number of locked in shares	Number of Shares pledged or otherwise encumbered		Number of Equity Shares held in dematerialised form		
(I)	(II)	(III)	(IV)	(V)	Depository Receipts	(VII) = (IV)+(V)+(VI)	(VIII)	(IX)			Outstanding convertible securities (including warrants)	(as a percentage of diluted share capital)	(XII)	(XIII)		(XIV)		
					(VI)	As a % of (A+B+C2)	No of Voting Rights			(X)	(XI) = (VII)+(X)	No.	As a % of total Shares held	No.	As a % of total Shares held			
							Class (Equity)	Class	Total	Total as a % of (A+B+C)	As a % of (A+B+C2)	(a)	(b)	(a)	(b)			
(A)	Promoters and Promoter Group	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(B)	Public**	346	191,186,100**	0	0	191,186,100	100%	191,186,100	0	191,186,100	100.00%	425,004,500 <sup>#</sup>	100%	0	0	9,751,600	5.10%	187,808,300**
(C)	Non Promoter - Non Public	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(C) (1)	Shares underlying Custodian/ Depository Receipts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
(C) (2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	<b>Total (A) + (B) + (C)</b>	346	191,186,100	0	0	191,186,100	100%	191,186,100	0	191,186,100	100.00%	425,004,500	100%	0	0	9,751,600	5.10%	187,808,300**

\*Note: This excludes the CCPS held by certain shareholders as on date of the Draft Red Herring Prospectus, except where convertible securities have been taken into account.

\*\*As on the date of this Draft Red Herring Prospectus, our Company is in the process of crediting 3,999,400 Equity Shares allotted pursuant to the exercise of employee stock options by the stock option holders of our Company under the ESOP I – 2012 on October 22, 2021 to their respective demat accounts.

<sup>#</sup>217,562 Series B Preference Shares, 365,310 Series C Preference Shares, 653,551 Series D Preference Shares, 44,479 Series D1 Preference Shares, 801,139 Series E Preference Shares, 1,457,694 Series F Preference Shares, 563,349 Series H Preference Shares and 146,961 Series I Preference Shares shall be converted into 21,756,200 Equity Shares, 36,531,000 Equity Shares, 65,355,100 Equity Shares, 4,447,900 Equity Shares, 80,113,900 Equity Shares, 145,769,400 Equity Shares, 56,334,900 Equity Shares and 14,696,100 Equity Shares, respectively, i.e. an aggregate of 425,004,500 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC in accordance with Regulation 5(2) of the SEBI ICDR Regulations.

Further, our Company and FedEx have executed a share subscription agreement dated July 15, 2021, and a supplemental agreement thereto dated October 26, 2021 pursuant to which FedEx will subscribe to 20,914,500 Equity Shares, subject to certain closing conditions, including receipt of requisite regulatory approval

9. **Shareholding of our Directors and Key Managerial Personnel in our Company**

Except as stated below, none of our Directors or Key Managerial Personnel hold any Equity Shares or employee stock options in our Company.

Name	No. of Equity Shares	Granted Options (Not vested as on the date of this Draft Red Herring Prospectus)	Vested Options as on the date of this Draft Red Herring Prospectus	% of pre-Offer equity share capital (%) <sup>*#</sup>
Sahil Barua	13,622,400	8,668,000	Nil	6.93
Suraj Saharan	11,105,400	758,000	Nil	5.65
Kapil Bharati	6,922,200	1,892,800	Nil	3.52
Ajith Pai Mangalore	5,173,800	1,474,300	81,300	2.63
Sandeep Kumar Barasia	4,683,800	1,562,100	98,800	2.38
Amit Agarwal	3,042,500	1,161,600	Nil	1.55
Srivatsan Rajan	155,000 <sup>(1)</sup>	Nil	Nil	0.08
Deepak Kapoor	100,000 <sup>(2)</sup>	Nil	Nil	0.05
Pooja Gupta	Nil	950,000	Nil	Nil
Abhik Mitra	Nil	669,700	Nil	Nil
Sunil Kumar Bansal	Nil	25,000	Nil	Nil

<sup>\*</sup>The percentage is calculated against the total share capital of our Company, including vested ESOPs

<sup>#</sup> Excludes the impact of conversion of outstanding Preference Shares

<sup>(1)</sup> 27,400 Equity Shares are held jointly with Leena Chawla

<sup>(2)</sup> Held jointly with Sarita Kapoor

For further details on the stock options held by our Directors and Key Managerial Personnel, see “ – **Notes to Capital Structure – Employee Stock Option Schemes**” on page 105.

10. As on the date of this Draft Red Herring Prospectus, our Company has cumulatively 387 shareholders, including shareholders of its Equity Shares and its outstanding Preference Shares.

(a) **Details of shareholding of the major shareholders of our Company**

Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Shareholder	Number of Equity Shares	Pre-Offer Percentage of Equity Share capital <sup>*#</sup>	Number of Equity Shares, including upon conversion of CCPS	Percentage of pre-Offer Equity Share capital (including upon conversion of CCPS) <sup>*#</sup>
1.	SVF Doorbell (Cayman) Ltd <sup>(1)</sup>	1,375,300	0.70%	141,593,300	22.78%
2.	Nexus Ventures III, Ltd. <sup>(2)</sup>	10,000	0.01%	57,406,800	9.23%
3.	CA Swift Investments <sup>(3)</sup>	Nil	0.00%	46,131,800	7.42%
4.	Canada Pension Plan Investment Board <sup>(4)</sup>	26,445,700	13.45%	43,881,500	7.06%
5.	Internet Fund III Pte. Ltd. <sup>(5)</sup>	18,044,800	9.18%	37,893,700	6.10%
6.	Times Internet Limited	31,703,900	16.12%	31,703,900	5.10%
7.	Suedasien Investmentfonds A, Ltd <sup>(6)</sup>	2,236,400	1.14%	22,347,900	3.60%
8.	Alpine Opportunity Fund II, L.P. <sup>(7)</sup>	9,062,300	4.61%	17,170,900	2.76%
9.	Gamnat Pte. Ltd. <sup>(8)</sup>	Nil	0.00%	15,364,000	2.47%
10.	Alpha Wave Ventures LP <sup>(9)</sup>	Nil	0.00%	14,444,800	2.32%
11.	Sahil Barua	13,622,400	6.93%	13,622,400	2.19%
12.	Mohit Tandon	11,664,200	5.93%	11,664,200	1.88%

S. No.	Shareholder	Number of Equity Shares	Pre-Offer		
			Percentage of Equity Share capital*#	Number of Equity Shares, including upon conversion of CCPS	Percentage of pre-Offer Equity Share capital (including upon conversion of CCPS)*
13.	Suraj Saharan	11,105,400	5.65%	11,105,400	1.79%
14.	Chimera Investment LLC <sup>(10)</sup>	Nil	0.00%	10,242,700	1.65%
15.	Nexus Opportunity Fund Ltd. <sup>(11)</sup>	Nil	0.00%	8,666,100	1.39%
16.	Steadview Capital Mauritius Limited	8,113,800	4.13%	8,113,800	1.31%
17.	Bennett, Coleman and Company Limited <sup>(12)</sup>	3,401,400	1.73%	7,696,000	1.24%
18.	Alpine Opportunity Fund V L.P. <sup>(13)</sup>	2,919,100	1.48%	7,309,300	1.18%
19.	Kapil Bharati	6,922,200	3.52%	6,922,200	1.11%
20.	Deli CMF Pte. Ltd. <sup>(14)</sup>	Nil	0.00%	6,879,000	1.11%
21.	Steadview Capital Opportunities PCC Cell 0121	6,700,000	3.41%	6,700,000	1.08%
<b>Total</b>		<b>153,326,900</b>	<b>77.98%</b>	<b>526,859,700</b>	<b>84.76%</b>

\*The percentage is calculated against the total share capital of our Company, including vested ESOPs

# Excludes the impact of conversion of outstanding Preference Shares

<sup>(1)</sup> As on the date of the Draft Red Herring Prospectus, SVF Doorbell (Cayman) Ltd holds 164,862 Series D Preference Shares, 1,987 Series E Preference Shares and 1,235,331 Series F Preference Shares, which will be converted into an aggregate of 140,218,000 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(2)</sup> As on the date of the Draft Red Herring Prospectus, Nexus Ventures III, Ltd. holds 217,562 Series B Preference Shares, 262,212 Series C Preference Shares, and 94,194 Series D Preference Shares which will be converted into an aggregate of 57,396,800 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(3)</sup> As on the date of the Draft Red Herring Prospectus, CA Swift Investments holds 302,487 Series E Preference Shares and 158,831 Series F Preference Shares, which will be converted into an aggregate of 46,131,800 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(4)</sup> As on the date of the Draft Red Herring Prospectus, Canada Pension Plan Investment Board holds 172,205 Series D Preference Shares, 1,539 Series D1 Preference Shares and 614 Series E Preference Shares which will be converted into an aggregate of 17,435,800 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(5)</sup> As on the date of the Draft Red Herring Prospectus, Internet Fund III Pte Ltd. holds 36,660 Series C Preference Shares, 4,670 Series D Preference Shares, 14,345 Series D1 Preference Shares and 142,814 Series E Preference Shares, which will be converted into an aggregate of 19,848,900 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(6)</sup> As on the date of the Draft Red Herring Prospectus, Suedasien Investmentfonds A, Ltd holds 133,328 Series I Preference Shares, 34,976 Series E Preference Shares and 32,811 Series F Preference Shares, which will be converted into an aggregate of 20,111,500 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(7)</sup> As on the date of the Draft Red Herring Prospectus, Alpine Opportunity Fund II holds 79,021 Series D Preference Shares, 1,756 Series D1 Preference Shares and 309 Series E Preference Shares, which will be converted into an aggregate of 8,108,600 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(8)</sup> As on the date of the Draft Red Herring Prospectus, Gannat Pte. Ltd. holds 153,640 Series H Preference Shares, which will be converted into 15,364,000 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(9)</sup> As on the date of the Draft Red Herring Prospectus, Alpha Wave Ventures LP holds 144,448 Series E Preference Shares, which will be converted into 14,444,800 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(10)</sup> As on the date of the Draft Red Herring Prospectus, Chimera Investment LLC holds 102,427 Series H Preference Shares, which will be converted into 10,242,700 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

<sup>(11)</sup> As on the date of the Draft Red Herring Prospectus, Nexus Opportunity Fund Ltd. holds 80,000 Series D Preference Shares and 6,661 Series D1 Preference Shares, which will be converted into an aggregate of 8,666,100 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

(12) As on the date of the Draft Red Herring Prospectus, Bennett, Coleman and Company Limited holds 42,946 Series C Preference Shares which will be converted into 4,294,600 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

(13) As on the date of the Draft Red Herring Prospectus, Alpine Opportunity Fund V L.P. holds 9,953 Series C Preference Shares, 32,259 Series D Preference Shares and 1,690 Series D1 Preference Shares, which will be converted into an aggregate of 4,390,200 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

(14) As on the date of the Draft Red Herring Prospectus, Deli CMF Pte. Ltd. holds 41,424 Series E Preference Shares and 27,366 Series F Preference Shares, which will be converted into an aggregate of 6,879,000 Equity Shares, prior to filing of the Red Herring Prospectus with the RoC.

- (b) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of 10 days prior to the date of this Draft Red Herring Prospectus:

S. No.	Shareholder	Pre-Offer		Number of Equity Shares, including upon conversion of CCPS	Percentage of pre-Offer Equity Share capital (including upon conversion of CCPS)*
		Number of Equity Shares	Percentage of Equity Share capital*#		
1.	SVF Doorbell (Cayman) Ltd	1,375,300	0.70%	141,593,300	22.78%
2.	Nexus Ventures III, Ltd.	10,000	0.01%	57,406,800	9.23%
3.	CA Swift Investments	Nil	0.00%	46,131,800	7.42%
4.	Canada Pension Plan Investment Board	26,445,700	13.45%	43,881,500	7.06%
5.	Internet Fund III Pte. Ltd.	18,044,800	9.18%	37,893,700	6.10%
6.	Times Internet Limited	31,703,900	16.12%	31,703,900	5.10%
7.	Suedasien Investmentfonds A, Ltd	2,236,400	1.14%	22,347,900	3.60%
8.	Alpine Opportunity Fund II, L.P	9,062,300	4.61%	17,170,900	2.76%
9.	Gamnat Pte. Ltd.	Nil	0.00%	15,364,000	2.47%
10.	Alpha Wave Ventures, LP	Nil	0.00%	14,444,800	2.32%
11.	Sahil Barua	13,622,400	6.93%	13,622,400	2.19%
12.	Mohit Tandon	11,664,200	5.93%	11,664,200	1.88%
13.	Suraj Saharan	11,105,400	5.65%	11,105,400	1.79%
14.	Chimera Investment LLC	Nil	0.00%	10,242,700	1.65%
15.	Nexus Opportunity Fund Ltd.	Nil	0.00%	8,666,100	1.39%
16.	Steadview Capital Mauritius Limited	8,113,800	4.13%	8,113,800	1.31%
17.	Bennett, Coleman and Company Limited	3,401,400	1.73%	7,696,000	1.24%
18.	Alpine Opportunity Fund V L.P.	2,919,100	1.48%	7,309,300	1.18%
19.	Kapil Bharati	6,922,200	3.52%	6,922,200	1.11%
20.	Deli CMF Pte. Ltd.	Nil	0.00%	6,879,000	1.11%
21.	Steadview Capital Opportunities PCC Cell 0121 005	6,700,000	3.41%	6,700,000	1.08%
	<b>Total</b>	<b>153,326,900</b>	<b>77.98%</b>	<b>526,859,700</b>	<b>84.75%</b>

\*The percentage is calculated against the total share capital of our Company, including vested ESOPs

# Excludes the impact of conversion of outstanding Preference Shares

- (c) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of one year prior to the date of this Draft Red Herring Prospectus:

S. No.	Shareholder	Pre-Offer			
		Number of equity shares of face value of ₹10	Percentage of equity share capital*#	Number of equity shares of face value of ₹10, including upon conversion of CCPS	Percentage of pre-Offer equity share capital (including upon conversion of CCPS)*
1.	SVF Doorbell (Cayman) Ltd	13,753	0.78%	1,415,933	26.71%
2.	CA Swift Investments	Nil	0.00%	653,915	12.34%
3.	Nexus Ventures III, Ltd.	100	0.01%	574,068	10.83%
4.	Canada Pension Plan Investment Board	264,457	15.02%	438,815	8.28%
5.	Times Internet Limited	371,569	21.10%	426,589	8.05%
6.	Internet Fund III Pte. Ltd.	180,448	10.25%	378,937	7.15%
7.	Deli CMF Pte. Ltd.	24,651	1.40%	248,411	4.69%
8.	Alpine Opportunity Fund II, L.P	90,623	5.15%	171,709	3.24%
9.	Multiples Private Equity Fund I Ltd.	148,191	8.42%	148,191	2.80%
10.	Sahil Barua	119,285	6.77%	119,285	2.25%
11.	Mohit Tandon	117,642	6.68%	117,642	2.22%
12.	Suraj Saharan	115,500	6.56%	115,500	2.18%
13.	Nexus Opportunity Fund Ltd.	Nil	0.00%	86,661	1.63%
14.	Alpine Opportunity Fund V, L.P	21,207	1.20%	65,109	1.23%
	<b>Total</b>	<b>1,467,426</b>	<b>83.34%</b>	<b>4,960,765</b>	<b>93.60%</b>

\*The percentage is calculated against the total share capital of our Company, including vested ESOPs

# Excludes the impact of conversion of outstanding Preference Shares

- (d) Set forth below are details of shareholders holding 1% or more of the paid-up share capital of our Company as of two years prior to the date of this Draft Red Herring Prospectus:

S. No.	Shareholder	Pre-Offer			
		Number of equity shares of face value of ₹10	Percentage of equity share capital*#	Number of equity shares of face value of ₹10, including upon conversion of CCPS	Percentage of pre-Offer equity share capital (including upon conversion of CCPS)*
1.	SVF Doorbell (Cayman) Ltd	Nil	0.00%	1,235,331	23.45%
2.	CA Swift Investments	Nil	0.00%	653,915	12.42%
3.	Internet Fund III Pte. Ltd.	180,448	16.59%	588,180	11.17%
4.	Nexus Ventures III Ltd.	100	0.01%	574,068	10.90%
5.	Times Internet Limited	100	0.01%	488,784	9.28%
6.	Canada Pension Plan Investment Board	55,146	5.07%	400,657	7.61%
7.	Deli CMF Pte. Ltd.	24,651	2.27%	248,411	4.72%
8.	Alpine Opportunity Fund II, L.P.	62,904	5.78%	171,709	3.26%
9.	Multiples Private Equity Fund I Ltd.	152,146	13.99%	155,324	2.95%
10.	Sahil Barua	131,285	12.07%	131,285	2.49%
11.	Mohit Tandon	128,752	11.84%	128,752	2.44%
12.	Suraj Saharan	128,199	11.79%	128,199	2.43%
13.	Nexus Opportunity Fund Ltd.	Nil	0.00%	86,661	1.65%
	<b>Total</b>	<b>863,731</b>	<b>88.59%</b>	<b>4,991,276</b>	<b>96.83%</b>

\*The percentage is calculated against the total share capital of our Company, including vested ESOPs

# Excludes the impact of conversion of outstanding Preference Shares

## 11. Employee Stock Option Schemes

Our Company has four ESOP schemes, 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 “ESOP Schemes”).

*ESOP I – 2012*

ESOP I – 2012 was approved pursuant to a Board resolution dated September 6, 2012 and shareholder’s resolution dated September 28, 2012. Under ESOP I – 2012, an aggregate of 40,070,900 options have been granted, an aggregate of 22,493,600 options have vested and an aggregate of 17,059,200 options have been exercised as on the date of this Draft Red Herring Prospectus. The ESOP I – 2012 is in compliance with the SEBI SBEBSE Regulations.

The following table sets forth the particulars of the ESOP I – 2012 during the last three Financial Years, and as on the date of this Draft Red Herring Prospectus:

Particulars	Details <sup>#</sup>			
	Fiscal 2019 <sup>^</sup>	Fiscal 2020 <sup>^</sup>	Fiscal 2021 <sup>^</sup>	April 1, 2021 – The date of this DRHP <sup>^</sup>
Total options outstanding (including vested and unvested options) as at the beginning of the period	15,008,900	20,775,600	23,433,800	23,242,000
Total options granted during the year/period	7,032,500	5,212,400	2,952,500	6,248,300
Vesting period (years)	1 year to 4.33 years			
Total options exercised	-	1,655,700	1,427,700	12,782,800
Exercise price of options in ₹ (as on the date of grant of options)	2.26 to 29.85	2.26 to 29.85	2.26 to 29.85	0.10 to 29.85
Options forfeited/lapsed/cancelled	1,265,800	898,500	1,716,600	531,050
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 ₹ million)	-	14.64	19.14	196.05
Total number of options outstanding in force (excluding options not granted)	20,775,600	23,433,800	23,242,000	16,176,450
Total options vested in each Fiscal/period	3,746,800	5,165,900	4,734,700	3,217,500
Options exercised (since implementation of the ESOP scheme)	1,193,000	2,848,700	4,276,400	17,059,200
Total number of Equity Shares that would arise as a result of exercise of granted options*	20,775,600	23,433,800	23,242,000	16,176,450
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option:				
Method of Valuation	Black Scholes Option Pricing Model			
Expected Volatility (%)	38%	38%	51%	50%
Dividend Yield (%)	0.00%	0.00%	0.00%	0.00%
Average remaining contractual life of the options	4 to 5 years	4 to 5 years	4 to 5 years	4 to 5 years

Particulars	Details#			
	Fiscal 2019^	Fiscal 2020^	Fiscal 2021^	April 1, 2021 – The date of this DRHP^
outstanding at end of the year (Years)				
Risk free interest rate	6.90%	6.50% & 6.70%	3.80%	4.60%
Weighted average exercise prices and weighted average fair value of options where:				
a) Exercise price equals market price on the date of grant				
- Fair Value of options granted (₹)	NA	NA	NA	NA
- Exercise Price (₹)	NA	NA	NA	NA
a) Exercise price greater than market price on the date of grant				
- Fair Value of options granted (₹)	NA	NA	NA	NA
- Exercise Price (₹)	NA	NA	NA	NA
a) Exercise price less than market price on the date of grant				
- Fair Value of options granted (₹)	112.19	152.65	182.40	227.75
- Exercise Price (₹)	13.62	17.35	18.52	19.13
Employee wise details of options granted to:				
(i) Key managerial personnel				
- Sahil Barua	Nil	Nil	Nil	Nil
- Kapil Bharati	Nil	824,800**	Nil	824,800
- Sandeep Kumar Barasia	1,000,000	790,600	Nil	Nil
- Ajith Pai Mangalore	2,000,000	650,000	Nil	Nil
- Amit Agarwal	100,000	275,000	Nil	Nil
- Pooja Gupta	Nil	Nil	Nil	200,000
- Sunil Kumar Bansal	Nil	Nil	Nil	25,000
- Suraj Saharan	Nil	Nil	Nil	Nil
- Abhik Mitra	Nil	Nil	Nil	669,700
(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				
- Suraju Datta	1,000,000	Nil	Nil	Nil
- Kshitij Chopra	Nil	Nil	200,000	Nil
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the	NA	NA	NA	NA

Particulars	Details <sup>#</sup>			
	Fiscal 2019 <sup>^</sup>	Fiscal 2020 <sup>^</sup>	Fiscal 2021 <sup>^</sup>	April 1, 2021 – The date of this DRHP <sup>^</sup>
issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant				
Diluted earnings per share pursuant to the issue of equity shares on exercise of options in accordance with IND AS 33 'Earnings Per Share' (₹)	-47.22	-5.22	-8.05	Not determinable at this stage
Where our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per equity share of our Company	Not applicable. As per the valuation report, the fair value has been computed as per Black Scholes Model of valuation.			
Increase in loss for the year (₹ million)	NA	NA	NA	NA
Revised EPS (₹)	NA	NA	NA	NA
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or the SEBI SBEBSE Regulations had been followed, in respect of options granted in the last three years	Not applicable, since our Company is already following the accounting policies specified in Regulation 15 of the SEBI SBEBSE Regulations <i>i.e.</i> as per Indian Accounting Standards			
Increase in loss for the year (₹ million)	NA	NA	NA	NA
Revised EPS (₹)	NA	NA	NA	NA
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	As on the date of this Draft Red Herring Prospectus, no key managerial personnel or whole-time director has expressed their intention to sell their Equity Shares that are allotted on exercise of options granted under an employee stock option scheme within three months after the listing of Equity Shares in the Offer. Hence not applicable.			
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising	As on the date of this Draft Red Herring Prospectus, no senior managerial personnel or employee having Equity Shares arising out of the ESOP - I 2012, amounting to more than 1% of the issued capital has expressed their intention to sell their Equity Shares allotted to them on exercise of options granted under an employee stock option scheme within three months after the date of listing of Equity Shares in the Offer. Hence not applicable.			

Particulars	Details <sup>#</sup>			
	Fiscal 2019 <sup>^</sup>	Fiscal 2020 <sup>^</sup>	Fiscal 2021 <sup>^</sup>	April 1, 2021 – The date of this DRHP <sup>^</sup>
out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)				

<sup>#</sup> As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated November 1, 2021

<sup>\*</sup> Excluding the options lying in the ESOP pool pending grant to the employees

<sup>\*\*</sup> The options have been cancelled subsequently

<sup>^</sup> Pursuant to the issuance and allotment of bonus shares vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and sub-division of face value of equity shares 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 Plan 2012, Delhivery Employees Stock Option Plan II, 2020, Delhivery Employees Stock Option Plan III, 2020, and such that the exercise price for all outstanding options as on the 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 the relevant record date have been appropriately adjusted. Accordingly, number of options and shares are updated in the table to factor in impact of bonus issue in the proportion of 9:1, i.e., nine equity shares of ₹10 each for every 1 equity share of ₹10 each, as approved by shareholders of the Company in the extra-ordinary general meeting dated September 27, 2021 and sub-division of shares in the ratio of 10:1, as approved by shareholders of the Company in the annual general meeting held on September 29, 2021.

### ESOP II – 2020

The ESOP II – 2020 was approved pursuant to a Board resolution dated January 25, 2021 and shareholders' resolution dated February 1, 2021. The ESOP II – 2020 is in compliance with the SEBI SBESE Regulations. Under ESOP II – 2020, 7,740,200 options have been granted to eligible employees, no options have vested and exercised as on the date of this Draft Red Herring Prospectus.

Particulars	Details <sup>#</sup>			
	Fiscal 2019 <sup>^</sup>	Fiscal 2020 <sup>^</sup>	Fiscal 2021 <sup>^</sup>	April 1, 2021 – The date of this DRHP <sup>^</sup>
Total options outstanding (including vested and unvested options) as at the beginning of the period	-	-	-	7,740,200
Total options granted during the year/period	-	-	7,740,200	-
Vesting period (years)	-	-	4 years	4 years
Total options exercised	-	-	-	-
Exercise price of options in ₹ (as on the date of grant of options)	-	-	0.10	0.10
Options forfeited/lapsed/cancelled	-	-	-	-
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 ₹ million)	-	-	-	-
Total number of options outstanding in force (excluding options not granted)	-	-	7,740,200	7,740,200
Total options vested in each Fiscal/period	-	-	-	-
Options exercised (since implementation of the ESOP scheme)	-	-	-	-

Particulars	Details#			
	Fiscal 2019^	Fiscal 2020^	Fiscal 2021^	April 1, 2021 – The date of this DRHP^
Total number of Equity Shares that would arise as a result of exercise of granted options*^	-	-	7,740,200	7,740,200
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option:				
Method of Valuation	NA	NA	Monte Carlo simulation	Monte Carlo simulation
Expected Volatility (%)	NA	NA	45.10% - 48.00%	45.10% - 48.00%
Dividend Yield (%)	NA	NA	0.00%	0.00%
Average remaining contractual life of the options outstanding at end of the year (Years)	NA	NA	3.17	3.17
Risk free interest rate	NA	NA	3.35%	3.35%
Weighted average exercise prices and weighted average fair value of options where:				
a) Exercise price equals market price on the date of grant	NA	NA	NA	NA
- Fair Value of options granted (₹)	NA	NA	NA	NA
- Exercise Price (₹)	NA	NA	NA	NA
a) Exercise price greater than market price on the date of grant	NA	NA	NA	NA
- Fair Value of options granted (₹)	NA	NA	NA	NA
- Exercise Price (₹)	NA	NA	NA	NA
a) Exercise price less than market price on the date of grant				
- Fair Value of options granted (₹)	-	-	-	-
- Exercise Price (₹)	-	-	0.10	0.10
Employee wise details of options granted to:				
(i) Key managerial personnel				
- Sahil Barua	Nil	Nil	1,068,000	Nil
- Kapil Bharati	Nil	Nil	1,068,000	Nil
- Sandeep Kumar Barasia	Nil	Nil	1,068,000	Nil

Particulars	Details#			
	Fiscal 2019^	Fiscal 2020^	Fiscal 2021^	April 1, 2021 – The date of this DRHP^
- Ajith Pai Mangalore	Nil	Nil	1,068,100	Nil
- Amit Agarwal	Nil	Nil	1,068,100	Nil
- Pooja Gupta	Nil	Nil	Nil	Nil
- Sunil Kumar Bansal	Nil	Nil	Nil	Nil
- Suraj Saharan	Nil	Nil	Nil	Nil
- Abhik Mitra	Nil	Nil	Nil	Nil
(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	Nil	Nil	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 our Company at the time of grant	NA	NA	NA	NA
Diluted earnings per share pursuant to the issue of equity shares on exercise of options in accordance with IND AS 33 'Earnings Per Share' (₹)	-	-	-	-
Where our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per equity share of our Company	NA	NA	Not Applicable. As per the valuation report, the Fair value has been computed as per the Monte Carlo simulation model of valuation.	
Increase in loss for the year (₹ million)	NA	NA	NA	NA
Revised EPS (₹)	NA	NA	NA	NA
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or the SEBI SBEBSE Regulations had been followed, in respect of options granted in the last three years	-	-	Not applicable, since our Company is already following the accounting policies specified in Regulation 15 of the SEBI SBEBSE Regulations <i>i.e.</i> as per Indian Accounting Standards.	
Increase in loss for the year (₹ million)	NA	NA	NA	NA
Revised EPS (₹)	NA	NA	NA	NA
Intention of key managerial	NA	NA	As on the date of this Draft Red Herring	

Particulars	Details <sup>#</sup>			
	Fiscal 2019 <sup>^</sup>	Fiscal 2020 <sup>^</sup>	Fiscal 2021 <sup>^</sup>	April 1, 2021 – The date of this DRHP <sup>^</sup>
personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer				Prospectus, no key managerial personnel and whole-time directors have exercised the options. Further, no key managerial personnel or whole-time directors have expressed their intention to sell their Equity Shares that are allotted on exercise of options granted under an employee stock option scheme within three months after the listing of Equity Shares in the Offer. Hence not applicable.
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	NA	NA		As on the date of this Draft Red Herring Prospectus, no senior management personnel and employees have exercised the options. Further, no senior management personnel or employee having Equity Shares arising out of the ESOP - II 2020, amounting to more than 1% of the issued capital has expressed their intention to sell their Equity Shares allotted to them on exercise of options granted under an employee stock option scheme within three months after the date of listing of Equity Shares in the Offer. Hence not applicable.

<sup>#</sup> As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated November 1, 2021

<sup>\*</sup>Excluding the options lying in the ESOP pool pending grant to the employees

<sup>^</sup> Pursuant to the issuance and allotment of bonus shares vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and sub-division of face value of equity shares 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 Plan 2012, Delhivery Employees Stock Option Plan II, 2020, Delhivery Employees Stock Option Plan III, 2020, and such that the exercise price for all outstanding options as on the 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 the relevant record date have been appropriately adjusted. Accordingly, number of options and shares are updated in the table to factor in impact of bonus issue in the proportion of 9:1, i.e., nine equity shares of ₹10 each for every 1 equity share of ₹10 each, as approved by shareholders of the Company in the extra-ordinary general meeting dated September 27, 2021 and sub-division of shares in the ratio of 10:1, as approved by shareholders of the Company in the annual general meeting held on September 29, 2021.

### ESOP III – 2020

The ESOP III – 2020 was approved pursuant to a Board resolution dated January 25, 2021 and shareholders' resolution dated February 1, 2021. The ESOP III – 2020 is in compliance with the SEBI SBEBSE Regulations. Under ESOP III – 2020, 8,820,500 options have been granted to eligible employees, no options have vested and no options have been exercised as on the date of this Draft Red Herring Prospectus.

Particulars	Details <sup>#</sup>			
	Fiscal 2019 <sup>^</sup>	Fiscal 2020 <sup>^</sup>	Fiscal 2021 <sup>^</sup>	April 1, 2021 – The date of this DRHP <sup>^</sup>
Total options outstanding (including vested and unvested options) as at the beginning of the period	-	-	-	1,050,000
Total options granted during the year/period	-	-	1,050,000	7,770,500
Vesting period (years)	-	-	4 years	4 years

Particulars	Details#			
	Fiscal 2019^	Fiscal 2020^	Fiscal 2021^	April 1, 2021 – The date of this DRHP^
Total options exercised	-	-	-	-
Exercise price of options in ₹ (as on the date of grant of options)	-	-	0.10	0.10
Options forfeited/lapsed/cancelled	-	-	-	-
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 ₹ million)	-	-	-	-
Total number of options outstanding in force (excluding options not granted)	-	-	1,050,000	8,820,500
Total options vested in each Fiscal/period	-	-	-	-
Options exercised (since implementation of the ESOP scheme)	-	-	-	-
Total number of Equity Shares that would arise as a result of exercise of granted options*^	-	-	1,050,000	8,820,500
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option: -				
Method of Valuation	NA	NA	Monte Carlo simulation	Monte Carlo simulation
Expected Volatility (%)	NA	NA	45.10% - 48%	45.10% - 48%
Dividend Yield (%)	NA	NA	0.00%	0.00%
Average remaining contractual life of the options outstanding at end of the year (Years)	NA	NA	3.17	3.17
Risk free interest rate	NA	NA	3.35%	3.35%



Particulars	Details#			
	Fiscal 2019^	Fiscal 2020^	Fiscal 2021^	April 1, 2021 – The date of this DRHP^
Weighted average exercise prices and weighted average fair value of options where:				
a) Exercise price equals market price on the date of grant	NA	NA	NA	NA
- Fair Value of options granted (₹)	NA	NA	NA	NA
- Exercise Price (₹)	NA	NA	NA	NA
a) Exercise price greater than market price on the date of grant	NA	NA	NA	NA
- Fair Value of options granted (₹)	NA	NA	NA	NA
- Exercise Price (₹)	NA	NA	NA	NA
a) Exercise price less than market price on the date of grant				
- Fair Value of options granted (₹)	-	-	-	-
- Exercise Price (₹)	-	-	0.10	0.10
Employee wise details of options granted to:				
(i) Key managerial personnel				
- Sahil Barua	Nil	Nil	Nil	Nil
- Kapil Bharati	Nil	Nil	Nil	Nil
- Sandeep Kumar Barasia	Nil	Nil	Nil	Nil
- Ajith Pai Mangalore	Nil	Nil	Nil	Nil
- Amit Agarwal	Nil	Nil	Nil	Nil
- Pooja Gupta	Nil	Nil	Nil	750,000
- Sunil Kumar Bansal	Nil	Nil	Nil	Nil
- Suraj Saharan	Nil	Nil	Nil	758,000
- Abhik Mitra	Nil	Nil	Nil	Nil
(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				
- Rohan Shanbhag	Nil	Nil	525,000	Nil
- Thota Nagadhar	Nil	Nil	525,000	Nil
(iii) Identified employees who were granted	NA	NA	NA	NA

Particulars	Details#			
	Fiscal 2019^	Fiscal 2020^	Fiscal 2021^	April 1, 2021 – The date of this DRHP^
options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant				
Diluted earnings per share pursuant to the issue of equity shares on exercise of options in accordance with IND AS 33 'Earnings Per Share' (₹)	-	-	-	-
Where our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per equity share of our Company	NA	NA	Not applicable. As per the valuation report, the Fair value has been computed as per the Monte Carlo simulation model of valuation.	
Increase in loss for the year (₹ million)	NA	NA	NA	NA
Revised EPS (₹)	NA	NA	NA	NA
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or the SEBI SBEBSE Regulations had been followed, in respect of options granted in the last three years	NA	NA	Not applicable, since our Company is already following the accounting policies specified in Regulation 15 of the SEBI SBEBSE Regulations i.e. as per Indian Accounting Standards	
Increase in loss for the year (₹ million)	NA	NA	NA	NA
Revised EPS (₹)	NA	NA	NA	NA
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three	NA	NA	As on the date of this Draft Red Herring Prospectus, no key managerial personnel and whole-time directors have exercised the options. Further, no key managerial personnel or whole-time directors have expressed their intention to sell their Equity Shares that are allotted on exercise	

Particulars	Details <sup>#</sup>			
	Fiscal 2019 <sup>^</sup>	Fiscal 2020 <sup>^</sup>	Fiscal 2021 <sup>^</sup>	April 1, 2021 – The date of this DRHP <sup>^</sup>
months after the listing of Equity Shares pursuant to the Offer				of options granted under an employee stock option scheme within three months after the listing of Equity Shares in the Offer. Hence not applicable.
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	NA	NA	NA	As on the date of this Draft Red Herring Prospectus, no senior management personnel and employees have exercised the options. Further, no senior management personnel or employee having Equity Shares arising out of the ESOP - III 2020, amounting to more than 1% of the issued capital has expressed their intention to sell their Equity Shares allotted to them on exercise of options granted under an employee stock option scheme within three months after the date of listing of Equity Shares in the Offer. Hence not applicable.

<sup>#</sup> As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated November 1, 2021

<sup>\*</sup> Excluding the options lying in the ESOP pool pending grant to the employees

<sup>^</sup> Pursuant to the issuance and allotment of bonus shares vide a resolution passed at the extra-ordinary general meeting dated September 27, 2021 and sub-division of face value of equity shares 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 Plan 2012, Delhivery Employees Stock Option Plan II, 2020, Delhivery Employees Stock Option Plan III, 2020, and such that the exercise price for all outstanding options as on the 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 the relevant record date have been appropriately adjusted. Accordingly, number of options and shares are updated in the table to factor in impact of bonus issue in the proportion of 9:1, i.e., nine equity shares of ₹10 each for every 1 equity share of ₹10 each, as approved by shareholders of the Company in the extra-ordinary general meeting dated September 27, 2021 and sub-division of shares in the ratio of 10:1, as approved by shareholders of the Company in the annual general meeting held on September 29, 2021.

#### ESOP IV – 2021

The ESOP IV – 2021 was approved pursuant to a Board resolution dated September 24, 2021 and shareholders' resolution dated September 29, 2021. The ESOP IV – 2021 is in compliance with the SEBI SBEBSE Regulations. As on the date of this Draft Red Herring Prospectus, our Company has granted 7,600,000 options under the ESOP IV – 2021. Of the granted options, no options have vested and no options have been exercised as on the date of this Draft Red Herring Prospectus.

Particulars	April 1, 2021 – The date of this DRHP <sup>#</sup>
Total options outstanding (including vested and unvested options) as at the beginning of the period	Nil
Total options granted during the year/ period	7,600,000
Vesting Period (years)	6 years 9 months
Total options exercised	Nil
Exercise price of options in ₹ (as on the date of grant of options)	1.00
Options forfeited/lapsed/cancelled	Nil
Variation of terms of options	NA

Particulars	April 1, 2021 – The date of this DRHP <sup>#</sup>
Money realized by exercise of options (in ₹ million)	Nil
Total number of options outstanding in force (excluding options not granted)	7,600,000
Total options vested in each Fiscal/ period	Nil
Options exercised (since implementation of the ESOP scheme)	Nil
Total number of Equity Shares that would arise as a result of exercise of granted options *	7,600,000
Description of the pricing formula and the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends, and the price of the underlying share in market at the time of grant of the option:	
- Method of Valuation	NA
- Expected Volatility (%)	NA
- Dividend Yield (%)	NA
- Average remaining contractual life of the options outstanding at end of the year (Years)	NA
Risk free interest rate	NA
Weighted average exercise prices and weighted average fair value of options whose exercise price where:	
a) Exercise price equals market price on the date of grant	NA
- Fair Value of options granted (₹)	NA
- Exercise Price (₹)	NA
b) Exercise price greater than market price on the date of grant	NA
- Fair Value of options granted (₹)	NA
- Exercise Price (₹)	NA
c) Exercise price less than market price on the date of grant	
- Fair Value of options granted (₹)	Not determined as on the date of this Draft Red Herring Prospectus
- Exercise Price (₹)	1.00
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	-
(iii) Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and	NA

Particulars	April 1, 2021 – The date of this DRHP <sup>#</sup>
conversions) of our Company at the time of grant	
Diluted earnings per share pursuant to the issue of equity shares on exercise of options in accordance with IND AS 33 ‘Earnings Per Share’ (₹)	NA
Where our Company has calculated the employee compensation cost using the intrinsic value of the stock options, the difference, if any, between employee compensation cost so computed and the employee compensation calculated on the basis of fair value of the stock options and the impact of this difference, on the profits of our Company and on the earnings per equity share of our Company	Not applicable.
Increase in loss for the year (₹ million)	NA
Revised EPS (₹)	NA
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or the SEBI SBEBSE Regulations, as applicable, had been followed, in respect of options granted in the last three years	Not applicable, since our Company is already following the accounting policies specified in Regulation 15 of the SEBI SBEBSE Regulations i.e. as per Indian Accounting Standards
Increase in loss for the year (₹ million)	NA
Revised EPS (₹)	NA
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	As on the date of this Draft Red Herring Prospectus, no options have vested and hence, no key managerial personnel and whole-time directors have exercised the options.
Intention to sell Equity Shares arising out of the ESOP scheme or allotted under an ESOP scheme within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP scheme, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	As on the date of this Draft Red Herring Prospectus, no options have vested and hence, no senior management personnel and employees have exercised the options.

<sup>#</sup> As certified by B.B. & Associates, Chartered Accountants, by way of their certificate dated November 1, 2021

\* Excluding the options lying in the ESOP pool pending grant to the employees

12. Except as disclosed below, none of our Directors or their relatives have sold or purchased any equity shares of our Company during the six months preceding the date of this Draft Red Herring Prospectus:

Name	Sale/ Purchase	Number of equity shares	Face value per equity share (in ₹)	Issue Price per equity share (in ₹)	Date of sale/ purchase
<b>Directors/ Relatives of Directors</b>					
Sahil Barua	Sale	42,100	1	400	October 19, 2021

Name	Sale/ Purchase	Number of equity shares	Face value per equity share (in ₹)	Issue Price per equity share (in ₹)	Date of sale/ purchase
Kapil Bharati	Sale	89,000	1	400	October 19, 2021
Saroj Devi Barasia*	Purchase	5,000	1	400	October 19, 2021
Anjushree Barasia*	Purchase	2,500	1	400	October 19, 2021

\*Relative of Sandeep Kumar Barasia

13. There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
14. Our Company, our Directors, and the BRLMs have not entered into any buy-back arrangement for purchase of the Equity Shares being offered through this Offer.
15. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. The Equity Shares to be issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment.
16. None of the BRLMs and their respective associates (as defined under the SEBI (Merchant Bankers) Regulations, 1992) hold any Equity Shares in the Company as on the date of this Draft Red Herring Prospectus.
17. Except for (i) the options granted pursuant to the ESOP Schemes, and (ii) the Preference Shares that have been issued and are pending conversion, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into, or which would entitle any person any option to receive Equity Shares of our Company, as on the date of this Draft Red Herring Prospectus.
18. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholders, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
19. Except for (i) issue of Equity Shares pursuant to exercise of options granted under the ESOP Schemes, and (ii) 425,004,500 Equity Shares that will be issued pursuant to conversion of the outstanding Preference Shares, and (iii) allotment of 20,914,500 Equity Shares to FedEx pursuant to the terms of the Subscription Agreement, which shall be subject to certain closing conditions, including receipt of requisite regulatory approval, prior to filing of the Red Herring Prospectus with the RoC, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
20. Except for the issue of Equity Shares pursuant to (i) the Fresh Issue, and (ii) exercise of options granted under the ESOP Schemes, there is no proposal or intention, negotiations and consideration of our Company to alter its capital structure by way of split or consolidation of the Equity Shares or issue of Equity Shares or convertible securities on a preferential basis or issue of bonus or rights or further public offer of such securities, within a period of six months from the Bid/Offer Opening Date.
21. The BRLMs, and any person related to the BRLMs or the Syndicate Members, cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associate of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs, or AIFs sponsored by entities which are associates of the BRLMs, or a FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associate of the BRLMs.
22. Our Company shall ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

## OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue of up to [●] Equity Shares, aggregating up to ₹50,000 million by our Company (the “**Fresh Issue**”) and an Offer for Sale of up to [●] Equity Shares, aggregating up to ₹24,600 million by the Selling Shareholders. For details of the Selling Shareholders and their respective portion of the Offered Shares, see “*The Offer*” on page 68.

### Offer for Sale

The Selling Shareholders will be entitled to their respective portion of the proceeds of the Offer for Sale after deducting their proportion of Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholders and the proceeds received from the Offer for Sale will not form part of the Net Proceeds.

### Fresh Issue

#### Net Proceeds

The details of the Net Proceeds are summarized in the table below.

	<i>(in ₹ million)</i>
Particulars	Estimated Amount
Gross proceeds of the Fresh Issue	50,000
Less: Offer expenses to the extent applicable to the Fresh Issue (only those apportioned to our Company) <sup>(1)</sup>	[●] <sup>(2)</sup>
<b>Net Proceeds</b>	<b>[●]<sup>(2)</sup></b>

<sup>(1)</sup> See “- Offer Expenses” below.

<sup>(2)</sup> To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

#### Requirement of funds

We were the largest and fastest growing integrated logistics services player in India by revenue as of Fiscal 2021, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. We provided logistics and supply chain solutions to a diverse base of 21,342 Active Customers such as e-commerce marketplaces, direct-to-consumer e-tailers, enterprises and SMEs across industry verticals such as FMCG, consumer durables, consumer electronics, lifestyle, retail, automotive and manufacturing in the three months period ended June 30, 2021. Our unique network structure, quality of engineering, technology and data intelligence capabilities have helped us establish scale in all of our business lines and exploit synergies across them. Our approach is to focus on investing in critical service elements and IP-sensitive areas of our network while delivering services through a large number of network partners who own the warehousing, freight (truckload or air) or first/last-mile assets that are deployed in our network. We have made substantial investments in technology and data science capabilities to develop a logistics operating system with more than 80 applications that connect our operators, infrastructure, partners and network assets. The self-developed logistics operating system is at the core of our integrated logistics platform which combines our physical operations and infrastructure with our technology systems. This has driven higher network utilization, resulting in cost efficiency, while maintaining service speed and reliability and has enabled us to develop customized solutions for our customers’ evolving business needs.

For the growth of our business, we need to continue to invest in the following: (a) building scale in existing business lines and developing new adjacent business lines; (b) expanding our network infrastructure; and (c) upgrading and improving our proprietary logistics operating system. We have made investments in these areas in the past, and we expect these to continue to be critical for the growth of our business in the future.

Accordingly, our Company proposes to utilise the Net Proceeds towards the following objects (collectively, referred to herein as the “**Objects**”):

1. Funding organic growth initiatives;
2. Funding inorganic growth through acquisitions and other strategic initiatives; and
3. General corporate purposes.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancement of our Company's brand name among existing and potential customers, retaining existing and attracting potential employees, and creation of a public market for the Equity Shares in India.

The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enables our Company to undertake (i) our existing business activities; and (ii) the activities proposed to be funded from the Net Proceeds.

***Proposed schedule of implementation and deployment of Net Proceeds***

The Company proposes to utilize the Net Proceeds in the manner set forth in the table below:

(in ₹ million)

S. No	Particulars	Total estimated amount / expenditure
1.	Funding organic growth initiatives	25,000
2.	Funding inorganic growth through acquisitions and other strategic initiatives	12,500
3.	General corporate purposes <sup>(1)</sup>	[●]
<b>Total Net Proceeds</b>		<b>[●]</b>

<sup>(1)</sup> To be finalized upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilized for general corporate purposes shall not exceed 25% of the Net Proceeds.

Since the amount of the Net Proceeds proposed to be utilized towards the objects mentioned in the table above are not towards implementing any specific project, a year wise schedule of deployment of funds has not been provided. We intend to deploy the Net Proceeds towards the objects mentioned in the table above over the next five Fiscals from listing of the Equity Shares, in accordance with the business needs of our Company.

The requirement and deployment of funds as indicated above are based on our current business plan, internal management estimates, prevailing market conditions and other commercial and technical factors, including interest rates and other charges, and the financing and other agreements entered into by our Company, and have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as change in costs, financial and market conditions, our management's analysis of economic trends and our business requirements, ability to identify and consummate new business initiatives, fund requirements in the operations of our subsidiaries and associates, inorganic and geographic expansion opportunities, competitive landscape as well as general factors affecting our results of operations, financial condition, access to capital, business and strategy and interest/exchange rate fluctuations or other external factors, which may not be within the control of our management. This may entail rescheduling and revising the funding requirement for a particular Object or increasing or decreasing the amounts earmarked towards any of the aforementioned Objects at the discretion of our management, subject to compliance with applicable law.

In case of any surplus after utilization of the Net Proceeds towards the aforementioned Objects, we may use such surplus towards general corporate purposes, provided that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Net Proceeds in accordance with applicable law. Further, in case of any variations in the actual utilization of funds earmarked towards the Objects set forth above, then any increased fund requirements for a particular Object may be financed by surplus funds (subject to utilization towards general corporate purposes not exceeding 25% of the Net Proceeds from the Offer), if any, available in respect of the other Objects for which funds are being raised in this Offer. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the aforementioned Objects, we may explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

See ***“Risk Factors – Our funding requirements and the proposed deployment of net proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the net proceeds. While our Company will receive proceeds from the Fresh Issue, it will not receive any proceeds from the Offer for Sale”*** on page 61.



## *Means of finance*

The fund requirements for the Objects set out above are proposed to be funded from the Net Proceeds and our internal accruals. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 7(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue.

## **Details of the Objects**

### **1. Funding our organic growth initiatives**

We expect to utilize ₹25,000 million of the Net Proceeds towards funding organic growth initiatives. The key factors which contribute to our organic growth, and towards which the Net Proceeds may be utilised, include:

#### *i. Build scale in existing business lines and develop new adjacent business lines*

We continue to invest to gain scale and increase market share across business lines. We will continue to invest in expanding wallet share with existing customers by designing customized and integrated supply chain solutions for their specific needs and the industries in which they operate and introducing best practices from our experiences with other clients. In addition, we intend to increase our penetration in new industries like healthcare, distribution and agriculture, among others.

Our ability to collect, structure and analyse transaction data gives us a unique advantage in terms of assessing the financial profile of various parties in the supply chain and thereby to explore offering financial services to such parties. Similarly, we have the ability to combine our fulfilment, logistics and payments processing expertise to simplify distribution for our customers in the FMCG and retail verticals.

We may also launch new services and capabilities such as traditional non-express PTL freight, domestic air-freight, intra-city distribution, freight forwarding and temperature-controlled logistics to expand our value proposition to existing and new customers. We will also continue to invest to expand our presence in other international markets selectively and through capital-efficient, partnership-driven models.

We continue to invest in strengthening our sales and client experience teams by recruiting, retaining and training personnel as well as equipping them with necessary technology. We propose to invest in enhancing our brand identity through general advertising, marketing and branding initiatives on digital and offline platforms.

We continue to invest to complete operational integration of Spoton with our infrastructure and technology systems, enabling us to deepen synergies between our part truckload and express parcel businesses, while also creating larger base volumes for our truckload freight exchange. Our PTL freight service had volumes of 373,854 tonnes and 106,245 tonnes for Fiscal 2021 and for three months ended June 30, 2021, respectively, while Spoton had volumes of 758,730 tonnes and 172,539 tonnes for the respective periods.

#### *ii. Expanding our network infrastructure*

We offer integrated logistics services through a nation-wide network infrastructure that includes 124 gateways, 20 automated sort centres, 83 fulfilment centres, 35 collection points, 24 returns processing centres, 249 service centres, 120 intermediate processing centres and 2,235 direct delivery centres as of June 30, 2021, including Spoton's 38 gateways and 145 service centres. Additionally, our Company's network of 1,162 partner locations combined with 188 locations operated by Spoton's business associates expand our reach and provide critical flexible capacity and redundancy.

We continue to invest in improving the operating efficiency of our network infrastructure to ensure optimum service levels and cost effectiveness for our customers. The key costs we incur to operate our network infrastructure include linehaul expenses, facility and vehicle rental expenses, on-roll and manpower expenses, utilities, consumables, among others. Our freight handling and servicing cost for the Fiscals 2019, 2020 and 2021 and for the three month period ended June 30, 2021 were ₹12,506.83 million, ₹21,837.96 million and ₹27,780.82 million and ₹8,679.06 million, respectively.

We have, in the past, made significant investments in automation of our physical infrastructure. Our expenditure for automation infrastructure (such as sorters and other equipment) for the Fiscals 2019, 2020 and 2021 and for the three month period ended June 30, 2021 was ₹192.91 million, ₹376.24 million, ₹178.96 million and ₹539.39 million, respectively. We also expect to incur costs in relation to expanding capacity at existing automated sort centres, commissioning new sorters at strategic locations and investing in portable automation to enhance capacity at collection and return centres and intermediate processing centres. We will continue to invest to explore future-ready hardware solutions in our operations, and accordingly intend to use a portion of the Net Proceeds towards this objective. For instance, we are in the process of testing automatic guided vehicles for parcel sortation and material conveyance and customized “soft robotics” or “exoskeleton” products to reduce fatigue for workers engaged in repetitive, labour-intensive tasks such as loading and unloading. We have also commenced the transition of some of our cargo and two-wheeler fleet to electric vehicles. In addition, we are also testing UAV operations for specialized delivery use-cases and scaling up our capabilities in machine vision. We will invest further in such technologies and solutions, subject to results of ongoing testing. We cannot estimate the exact quantities of the equipment we may procure in the future and any amounts spent on purchasing equipment will be at the discretion of our management.

We also continue to invest in growing and training our team of professionals with experience of setting up and operating various elements of our network infrastructure.

iii. *Upgrading and improving our proprietary logistics operating system*

Our proprietary logistics operating system, with over 80 technology applications through which we provide various services to our customers, is the central orchestrating platform that governs end-to-end transaction flows in our network. Our logistics operating system enables us to set up an interoperable and flexible network by establishing common standards for data governance and information exchange, and allowing multiple product teams to create generic, as well as custom/ purpose-built applications across our various business lines. It also facilitates machine learning and artificial intelligence driven real-time business decision making in our day-to-day operations.

We continuously upgrade and improve our logistics operating system in order to improve efficiency and meet changing customer requirements and expectations. Additionally, we intend to externalize our logistics operating system as a platform and as a SaaS offering by enabling other LSPs, logistics-tech companies, enterprises, developer partners and our customers, in India and globally, to build their own applications on top of our underlying operating system. This will require us to invest in upgrading our technology platform and incur cost towards retaining and growing our team of engineers and support staff who work on building and maintaining our system infrastructure.

We also continue to invest in machine learning and artificial intelligence capabilities which enable us to solve several complex operational and network problems such as maximizing vehicle utilization, selecting appropriate delivery vehicles, predicting delays in real-time, identifying addresses with precision and detecting frauds. Our investments in technology and data science capabilities for the Fiscals 2019, 2020 and 2021 and for the three month period ended June 30, 2021 was ₹943.61 million, ₹1,377.34 million, ₹1,701.66 million and ₹539.20 million, respectively.

We are continuously investing in growing our team of professionals including software and hardware engineers, data scientists, machine learning engineers, machine vision domain experts, product managers and product designers. We have set up technology development centres in Gurugram (Haryana), Hyderabad (Telangana), Goa and Bangalore (Karnataka) and intend to add new centres in India and Europe, Middle East and Southeast Asia. As of June 30, 2021, we employed 474 professionals in the engineering, data sciences and product teams in India and at our overseas technology development centres.

Our historical investments may not be fully reflective of our future growth plans and new developments and business trends may arise within our categories of offerings. Our organic growth strategy and associated investments are and will continue to be subject to multiple internal and external factors, including applicable business requirements, investments in newer technology infrastructure and platforms and towards complementary and ancillary business offerings to compete effectively and to adapt to changes in customer preferences and technological advancements. See “*Risk Factors – Our past growth rates may not be indicative of our future growth, and if we are unable to maintain our culture of innovation, adapt to evolving customer demands and market trends, manage our growth or execute our strategies effectively, our business, financial conditions, cash flows and prospects may be materially and adversely affected*” on page 42.

## 2. Funding inorganic growth through acquisitions and other strategic initiatives

We expect to utilize up to ₹12,500 million of the Net Proceeds towards funding inorganic growth through acquisitions and other strategic initiatives.

In pursuit of our overall strategy to serve our customers effectively, we have undertaken investments, acquisitions and other strategic initiatives which we believe have helped us in gaining scale and new capabilities. For instance, we acquired Spoton in August 2021 to build further scale in our PTL freight services business. Spoton delivered 758,730 tonnes of freight in Fiscal 2021 and has a network presence in 12,639 PIN codes and had leased properties with 2.73 million sq. ft. of space across warehouses, gateways and service centres in India as of June 30, 2021. As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, post our acquisition of Spoton, our combined business is the third largest PTL freight player in India in terms of revenue as of Fiscal 2021.

We have spent an aggregate amount of ₹15,445.97 million on acquisitions and strategic initiatives in the past five years (excluding the asset purchase from FedEx and TNT India Private Limited, which is subject to the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval). The table below summarizes the key acquisitions and strategic initiatives that we have undertaken in the past five years:

S. No.	Name of the target entity / entity from which the business/asset has been purchased	Year of acquisition	Country of incorporation of the target entity	Mode of acquisition	Acquisition rationale
1.	Aramex India Private Limited	2019	India	Asset purchase	Expansion of cross border express service and to enlarge our customer base
2.	Roadpiper Technologies Private Limited	2020	India	Business transfer	Building direct relationships with fleet owners for our truck load business
3.	Primaseller Inc.	2021	USA	Asset Purchase	Acquisition of web services business to enhance services offered to our enterprise customers and for our direct to consumer business
4.	FedEx Express Transportation and Supply Chain Services (India) Private Limited	2021 <sup>1</sup>	India	Asset purchase <sup>1</sup>	Expansion of cross border express service <sup>1</sup>
5.	Spoton Logistics Private Limited	2021	India	Share purchase	To strengthen capabilities in the PTL market

<sup>1</sup> On July 15, 2021, we entered into (i) a pick-up, delivery and sales agent agreement and (ii) an asset purchase agreement with FedEx. These agreements will come into effect upon the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval. For details, see “**History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years**” and “**History and Certain Corporate Matters – Key terms of other subsisting material agreements**” on pages 193 and 195, respectively. For further details, see “**Our Business**” on page 157.

We continue to selectively evaluate potential targets for investments, acquisitions, and partnerships within and outside India, that 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. We

will, from time to time, seek inorganic opportunities that we believe fit well with our strategic business objectives and intend to deploy a certain portion of the Net Proceeds towards such acquisitions. Post any completion of such acquisitions or partnerships, we may also be required to incur costs related to operational integration of the target entity with our infrastructure and technology systems in order to deepen synergies between our businesses. The exact amount of Net Proceeds to be used for acquisitions will be based on our management's decision and is expected to provide us with sufficient financial leverage to pursue such acquisitions.

***Rationale for investments, acquisitions and partnerships in future***

Some of the criteria that we may consider when evaluating strategic investments, acquisitions and partnerships include:

- strategic fit with our existing business lines;
- domain expertise and experience in the markets we operate in or wish to expand into;
- new capabilities to serve existing customers;
- expanding customer base;
- enhancement of our geographical reach in India and globally;
- strengthening of market share in existing markets;
- experienced and skilled team; and
- compatibility/synergy with our ecosystem.

***Investment process for investments, acquisitions and partnerships:***

The typical framework and process followed by us for investments, acquisitions and partnerships involves identifying suitable targets based on the criteria set out above, entering into requisite non-disclosure agreements and conducting due diligence of the target entity. On satisfactory conclusion of the due diligence exercise, we enter into definitive agreements to invest in or acquire the target based on the approval of our Board and the shareholders, if required.

As on the date of this Draft Red Herring Prospectus, we have not entered into any definitive agreements towards any future investments, acquisitions or partnerships strategic initiatives which we propose to fund from the Net Proceeds.

***Proposed form of investment and nature of benefit expected to accrue:***

The criteria discussed above will also influence the form of investment for these potential investments, acquisitions or strategic partnership prospects, i.e., whether they will involve equity, debt or any other instrument or combination thereof. At this stage, our Company cannot determine whether the form of investment will be equity, debt or any other instrument or combination thereof. The portion of the Net Proceeds used towards this object of the Offer is expected to provide us with sufficient financial leverage to enter into binding agreements. In the event that there is a shortfall of funds required for such strategic initiatives, such shortfall shall be met out of the portion of the Net Proceeds allocated for general corporate purposes and/or through our internal accruals or other financing or any combination thereof.

**3. General corporate purposes**

The Net Proceeds will first be utilized towards the Objects as set out above. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes and the business requirements of our Company and our Subsidiaries, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Net Proceeds from the Fresh Issue, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary course of business, investment in our Subsidiaries and meeting working capital requirements incurred in the ordinary course of business towards salaries and wages, rent, administration expenses, and any other purpose as may be approved by the Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time. Our management, in accordance with the policies of the Board, shall have the flexibility in utilizing surplus amounts, if any.

### Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹[●] million. The expenses of this Offer include, among others, listing fees, selling commission and brokerage, fees payable to the BRLMs, fees payable to legal counsel, fees payable to the Registrar to the Offer, Escrow Bank(s) and Sponsor Bank to the Offer, processing fee to the SCSBs for processing application forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

Except for (a) the listing fees which shall be borne solely by our Company and (b) fees for counsel to the Selling Shareholders which shall be solely borne by the respective Selling Shareholders, all Offer expenses will be shared by our Company and the Selling Shareholders, in proportion to the number of Equity Shares issued and Allotted by our Company through the Fresh Issue and the number of Equity Shares sold by each of the Selling Shareholders respectively, through the Offer for Sale in accordance with section 28(3) of Companies Act. Any such Offer expenses paid by our Company on behalf of the Selling Shareholders shall be deducted from the Offer for Sale proceeds received by each Selling Shareholder (severally and not jointly) to the extent of their respective proportion of Offer expenses.

The estimated Offer expenses are set forth in the table below.

(₹ in million)			
Activity	Estimated expenses*	As a % of the total estimated Offer expenses	As a % of the total Offer size
Fees payable to the BRLMs	[●]	[●]	[●]
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Offer. Brokerage, underwriting commission and selling commission and bidding charges for Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(1)(2)</sup>	[●]	[●]	[●]
Fees payable to the Registrar to the Offer	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to other advisors to the Offer	[●]	[●]	[●]
Others	[●]	[●]	[●]
(i) Listing fees, SEBI, BSE and NSE processing fees, book building software fees and other regulatory expenses;			
(ii) Printing and distribution of stationery;			
(iii) Fees payable to legal counsels; and			
(iv) Miscellaneous.			
<b>Total estimated Offer expenses</b>	<b>[●]</b>	<b>[●]</b>	<b>[●]</b>

\* Offer expenses include goods and services tax, where applicable. Offer expenses will be incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.

(1) Selling commission payable to members of the Syndicate, SCSBs, RTAs and CDPs on the amounts received against the Equity Shares Allotted (i.e. product of the Equity Shares Allotted and the Offer Price) would be as follows:

Portion for Retail Individual Bidders	[●]% (plus applicable goods and services tax)
Portion for Eligible Employees	[●]% (plus applicable goods and services tax)
Portion for Non-Institutional Investors	[●]% (plus applicable goods and services tax)

Further, bidding charges of ₹[●] (plus applicable goods and services tax) shall be per valid ASBA Form collected by the Syndicate, RTAs and CDPs (excluding applications made by Retail Individual Bidders using the UPI Mechanism). The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges. No additional bidding charges shall be payable to SCSBs on the Bid cum Application Forms directly procured by them. Selling commission payable to the Registered Brokers on the portion for Retail Individual Bidders, Eligible Employees and Non-Institutional Investors, which are directly procured by the Registered Brokers and submitted to SCSBs for processing, shall be ₹[●] per valid Bid cum Application Form (plus applicable goods and services tax).

(2) Processing fees payable to the SCSBs for Bid cum Application Forms which are procured by the Registered Brokers / RTAs / CDPs and submitted to the SCSB for blocking shall be ₹[●] per valid Bid cum Application Form (plus applicable taxes).

Processing fees for applications made by Retail Individual Bidders using the UPI Mechanism would be as follows:

RTAs / CDPs/ Registered Brokers	₹[●] per valid Bid cum Application Form (plus applicable taxes)
Sponsor Bank	₹[●] per valid Bid cum Application Form (plus applicable taxes)  The Sponsor Bank shall be responsible for making payments to third parties such as the remitter bank, the NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws.

The processing fees for applications made by RIBs using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

#### **Interim use of funds**

Pending utilization for the Objects described above, we undertake to temporarily invest the funds from the Net Proceeds only with scheduled commercial banks included in the second schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

#### **Bridge loan**

Our Company has not raised any bridge loans from any banks or financial institutions, which are proposed to be repaid from the Net Proceeds.

#### **Monitoring of utilization of funds**

In accordance with Regulation 41 of the SEBI ICDR Regulations, our Company shall appoint a Monitoring Agency for monitoring the utilization of Net Proceeds prior to the filing of the Red Herring Prospectus with RoC, as the Fresh Issue size exceeds ₹1,000 million. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Net Proceeds and the Monitoring Agency shall submit the report required under Regulation 41(2) of the SEBI ICDR Regulation, on a quarterly basis, until such time as the Net Proceeds have been utilised in full. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose and continue to disclose, the utilisation of the Net Proceeds, including interim use under a separate head in its balance sheet for such fiscal periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Net Proceeds have been utilized, till the time any part of the Fresh Issue proceeds remains unutilised. Our Company will also, in its balance sheet for the applicable fiscal periods, provide details, if any, in relation to all such Net Proceeds that have not been utilised, if any, of such currently unutilised Net Proceeds. Further, our Company, on a quarterly basis, shall include the deployment of Net Proceeds under various heads, as applicable, in the notes to our quarterly consolidated results. As our Company intends to utilize a portion of the Net Proceeds towards potential acquisitions and strategic initiatives, details pertaining to which, as and when the investment is undertaken, will be published on the website of our Company and will be disclosed to the Stock Exchanges in accordance with Regulation 30 and Part A of Schedule III, of the SEBI Listing Regulations.

Pursuant to Regulation 32(3) and Part C of Schedule II, of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red

Herring Prospectus and place it before our Audit Committee. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Further, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the Net Proceeds from the Objects of the Offer as stated above; and (ii) details of category wise variations in the utilisation of the Net Proceeds from the Objects of the Offer as stated above.

### **Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the Objects unless our Company is authorized to do so by way of a special resolution of its Shareholders and such variation will be in accordance with the applicable laws including the Companies Act, 2013 and the SEBI ICDR Regulations. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013.

### **Appraising entity**

None of the Objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/financial institution.

### **Other confirmations**

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with any of our Directors or Key Managerial Personnel or our Group Company, and no part of the Net Proceeds will be paid to our Directors or our Key Managerial Personnel, except in the ordinary course of business. Our Company does not have any promoters or promoter group as on the date of this Draft Red Herring Prospectus.

## BASIS FOR OFFER PRICE

The Price Band will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, and the Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹1 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should refer to “*Risk Factors*”, “*Our Business*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 29, 157, 220 and 460, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors which form the basis for the Offer Price are:

1. Rapid growth, extensive scale and improvement in unit economics;
2. Our proprietary logistics operating system;
3. Vast data intelligence capabilities;
4. Our network design and engineering;
5. Our integrated portfolio of logistics services;
6. Strong relationships with a diverse customer base;
7. Extensive ecosystem of partners, enabling an asset-light business model and extended reach; and
8. Highly qualified professional team.

For further details, see “*Risk Factors*” and “*Our Business*” on pages 29 and 157, respectively.

### Quantitative Factors

For further information, see “*Financial Information*” and “*Other Financial Information*” on page 220 and 453 respectively.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

#### 1. Basic and Diluted Loss per Share of face value of ₹1 each

Fiscal / period ended	Basic (₹)	Diluted (₹)	Weight
March 31, 2021	(8.05)	(8.05)	3
March 31, 2020	(5.22)	(5.22)	2
March 31, 2019	(47.22)	(47.22)	1
<b>Weighted Average<sup>#</sup></b>	<b>(13.64)</b>	<b>(13.64)</b>	
As of three months June 30, 2021*	(2.41)	(2.41)	

\*Not annualised

<sup>#</sup>Weighted average = Aggregate of year-wise weighted loss per share divided by the aggregate of weights, i.e. {(loss per share X weight) for each year} / {Total weights}

Notes:

1. *Basic and diluted earnings / loss per share: Basic and diluted earnings / loss per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
2. *Subsequent to June 30, 2021, on September 27, 2021, the Company issued bonus equity shares in the ratio of 9:1 to the existing equity shareholders and ESOP holders. The impact of the same has been considered in the calculation of Basic and Diluted Loss per share. 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.*
3. *Subsequent to June 30, 2021, 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.*

*For further details and reconciliation, please see “Other Financial Information” on page 453.*

#### 2. Price/Earning (“P/E”) Ratio in relation to the Price Band of ₹[●] to ₹[●] per Equity Share:



Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
Based on basic EPS	[●]	[●]
Based on diluted EPS	[●]	[●]

### Industry P/E ratio

Based on the peer group information (excluding our Company) given below in this section:

Particulars	Industry P/E*
Highest	158.04
Lowest	67.97
Average	126.44

\*The industry high, low and average has been considered from the industry peer set provided later in this section.

### 3. Return on Net Worth (“RoNW”)

Fiscal / Period ended	RoNW (%)	Weight
March 31, 2021	(14.66)%	3
March 31, 2020	(8.48)%	2
March 31, 2019	(52.63)%	1
<b>Weighted Average (Refer Note 2)</b>	<b>(18.93)%</b>	
Three months ended June 30, 2021*	(2.73)%	

\*Not annualised

#### Notes:

- Return on net worth (%) is calculated as Restated loss for the year/ period divided by net worth as at the end of year/ period. “Net worth” means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as on June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019.
- Weighted Average = Aggregate of product of year-wise Return on Net worth and respective assigned weight divided by the aggregate weights, i.e.,  $\{(Return\ on\ Net\ Worth\ \times\ Weight)\ for\ each\ year\} / \{Total\ Weights\}$
- For further details and reconciliation, please see “Other Financial Information” on page 453.

### 4. Net Asset Value (“NAV”)

Net Asset Value per Share	(₹)
As on March 31, 2021	54.79
As on June 30, 2021	82.57
After the Offer	
- At the Floor Price	[●]
- At the Cap Price	[●]
At the Offer Price	[●]

#### Notes:

- Net assets value per share (in ₹): Net Asset Value per share represents Net Asset Value per equity and preference share. It is calculated as Net Worth as of the end of relevant year/period divided by the number of equity and preference shares outstanding at the end of the year/ period. The Net Asset Value per share disclosed above is after considering the impact of bonus and sub-division of the issued equity shares and conversion of outstanding preference shares.
- Subsequent to June 30, 2021, on September 27, 2021, the Company issued bonus shares in the ratio of 9:1 to the existing equity shareholders and ESOP holders. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulative 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.
- Subsequent to June 30, 2021, 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.
- For further details and reconciliation, please see “Other Financial Information” on page 453.

## 5. Comparison with Listed Industry Peers

The integration of our proprietary technology platform with our physical network and its operations enables us to provide comprehensive supply chain solutions to a wide range of customers. We provide a full range of logistics services, including express parcel delivery, heavy goods delivery, PTL freight, 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. This differentiates us from other listed logistics companies in India whose business may be considered to be similar to some of our service offerings. Following is the comparison with our peer group companies listed in India:

Name of the company	Total income for FY 2020-21 (₹ in million)	Face value (₹)	P/E	EPS (Diluted) (₹)	Return on net worth (%)	NAV per share (₹)
Company*	38,382.91	1	[●]	(8.05)	(14.66)%	54.79
<b>Peer group</b>						
Blue Dart Express Ltd	32,923.60	10	153.31	42.91	17.08%	249.48
TCI Express Ltd	8,516.40	2	67.97	26.15	23.12%	112.89
Mahindra Logistics Ltd	32,811.90	10	158.04	4.16	5.05%	79.65

\* Financial information of the Company has been derived from Restated Financial Statements

Notes for the peer group data:

(1) All the financial information for the peer group mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports for the year ended March 31, 2021.

(2) P/E Ratio for the peer group has been computed based on the closing market price of equity shares on NSE as on October 28, 2021, divided by the Diluted EPS

(3) Return on Net Worth (%) = Net Profit after Tax divided by Net worth as of March 31, 2021. Net worth represents the equity share capital, other equity and non-controlling interest (if any)

(4) NAV per share is computed as the net worth divided by the outstanding number of equity shares

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled “**Risk Factors**” on page 29 and any other factors that may arise in the future and you may lose all or part of your investments.

The Offer Price of ₹[●] has been determined by our Company, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building process and was justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with “**Risk Factors**”, “**Our Business**”, “**Financial Information**” and “**Other Financial Information**” on pages 29, 157, 220 and 453, respectively, to have a more informed view.

## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA

The Board of Directors  
Delhivery Limited (formerly known as Delhivery Private Limited)  
Plot 5, Sector 44  
Gurugram 122002  
Haryana, India

Dear Sir / Madam,

#### **Statement of Special Tax Benefits available to Delhivery Limited (formerly known as Delhivery Private Limited) and its shareholders under the Indian tax laws**

1. We hereby confirm that the enclosed Annexure 1 to 2 ('Annexures'), prepared by Delhivery Limited (formerly known as Delhivery Private Limited) (the "Company"), provides the special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (the "Act") as amended by the Finance Act 2021, i.e. applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23; the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 ("GST Act"), the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), the Customs Act, 1962 ("Customs Act"), the Customs Tariff Act, 1975 ("Tariff Act") and the Foreign Trade (Development and Regulation) Act, 1992 (read with the Foreign Trade Policy 2015-2020 ("FTP"), as amended presently in force in India (together, the "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offer of the equity shares of the Company ("IPO").
3. We do not express any opinion or provide any assurance as to whether:
  - i) the Company or its shareholders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been / would be met with; and
  - iii) the revenue authorities/courts will concur with the views expressed herein.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
5. This Statement is issued solely in connection with the proposed IPO and is not to be used, referred to or distributed for any other purpose.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

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**per Yogesh Midha**

Partner

Membership Number: 094941

UDIN: 21094941AAAAEH5420

Place of Signature: New Delhi

Date: November 1, 2021

## ANNEXURE 1

### THE STATEMENT OF SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

#### DIRECT TAXATION

Outlined below are the Special tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2021, i.e. applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23,

#### A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

There are no special tax benefits available to the Company.

#### B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

(1) As per Section 112A of the Income-tax Act, 1961 ('the Act'), long-term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. o.370142/9/2017-TPL dated 1 October 2018. It is worthwhile to note that tax shall be levied where such capital gains exceed ₹ 1,00,000.

(2) Section 112 of the Act provides for taxation of long-term capital gains.

In case of a domestic company/ resident, amount of income-tax on long-term capital gains arising from the transfer of a capital asset shall be computed at the rate of 20%.

In case of non-resident (not being a company) or a foreign company, the amount of income-tax on long-term capital gains arising from the transfer of a capital asset (being unlisted securities or shares of a company not being a company in which the public are substantially interested) shall be calculated at the rate of 10% without giving effect to the first and second proviso to section 48.

Further, where the tax payable is payable in respect of any income arising from the transfer of a long-term capital asset, being listed securities (other than a unit) or zero coupon bond, then such income will be subject to tax at the rate of 10% of the amount of capital gains before giving effect to the provisions of the second proviso to section 48.

(3) As per Section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfilment of prescribed conditions under the Act.

Except for the above, the Shareholders of the Company are not entitled to any other special tax benefits under the Act.

#### Notes:

1. The above statement of Direct Tax benefits ("Statement") sets out the special tax benefits available to the Company and its shareholders under the current tax laws presently in force in India.

2. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

3. This Statement does not discuss any tax consequences in the country outside India of an investment in the Shares. The subscribers of the Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.

4. In respect of non-residents, the tax rates and the consequent taxation mentioned above may be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

5. The above Statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.

Our views expressed in this Statement are based on the facts and assumptions as indicated in this Statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

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

**Amit Agarwal**  
**Chief Financial Officer**

**Place:** Gurugram

**Date:** November 1, 2021

## ANNEXURE 2

### THE STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

#### INDIRECT TAXATION

Outlined below are the special tax benefits available to the Company and its shareholders under The Central Goods and Services Tax Act, 2017 (“CGST Act”), the Integrated Goods and Services Tax Act, 2017 (“IGST Act”), the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), the Customs Act, 1962 and the Customs Tariff Act, 1975, the Foreign Trade (Development and Regulation) Act, 1992 (read with the Foreign Trade Policy 2015-2020 (“FTP”)) (collectively referred to as “Indirect tax”).

#### A. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

##### 1. Exemption from payment of tax on outbound and inbound air freight

The Company is entitled to avail exemption on supply of services by way of transportation of goods by an aircraft from a place outside India up to the customs station of clearance in India and from custom station of clearance in India to a place outside India, in terms of Entry No. 20 and 20A respectively of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

Further, the said exemption under Entry No. 20A is in force till 30 September 2022, unless otherwise extended by Government.

##### 2. Exemption from payment of tax on outbound ocean freight

The Company is entitled to avail exemption on supply of services by way of transportation of goods by a vessel from custom station of clearance in India to a place outside India in terms on Entry No. 20B of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

Further, the said exemption under Entry No. 20B is in force till 30 September 2022, unless otherwise extended by Government.

##### 3. Exemption from payment of tax on services by way of giving on hire a means of transportation of goods to a goods transport agency.

The Company is entitled to avail exemption on charges collected from goods transport agency (‘GTA’) for giving them on hire a means of transportation vide Entry No. 23(b) of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

##### 4. Exemption from payment of tax on interest income earned from bank deposits and other non-current investments

The Company is entitled to avail exemption on interest income earned from bank deposits and other non-current investments in terms of Entry No. 28(a) of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

##### 5. Zero rated benefit under GST on export of services

The specific tax benefit of not charging GST on supply of services considered as ‘export of services’ in terms of Section 2(6) of the IGST Act is available to the Company under Section 16 of the IGST Act upon fulfilment of the specified conditions.

As per Section 2(6) of the IGST Act, the services shall qualify as ‘export of services’ when:

- a) the supplier of service is located in India;
- b) the recipient of service is located outside India;
- c) the place of supply of service is outside India;

- d) the payment for such service has been received by the supplier of service in convertible foreign exchange or in Indian rupees wherever permitted by the Reserve Bank of India; and
  - e) the supplier of service and the recipient of service are not merely establishments of a distinct person in accordance with Explanation 1 in section 8
6. Liability for payment of tax to be borne by recipient of services in certain cases

Entry No. 9 of the Notification No. 8/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time, provides two different rates for supply of services by GTA i.e. 5% and 12%.

Further, Entry No. 2 of Notification No. 10/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time, provides that liability for payment of tax shall be borne by the recipient of services in case where:

- Supplier has not paid IGST at the rate of 12%; and
- Recipient of such services is falling under the following category of specified recipients:
  - a) Any factory registered under or governed by the Factories Act, 1948(63 of 1948); or
  - b) any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or
  - c) any co-operative society established by or under any law; or
  - d) any person registered under the CGST Act or the IGST Act or the State GST Act or the UT GST Act; or
  - e) any body corporate established, by or under any law; or
  - f) any partnership firm whether registered or not under any law including association of persons; or
  - g) any casual taxable person

## **B. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

There are no special Indirect Tax benefits available to the shareholders of the Company.

Notes to the above:

1. This Annexure sets out only the possible special tax benefits available to the Company and its shareholders under The Central Goods and Services Tax Act, 2017 ('CGST Act'), the Integrated Goods and Services Tax Act, 2017 ('IGST Act'), the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, the Customs Act, 1962 and the Customs Tariff Act, 1975 and does not cover any income tax law benefits or benefit under any other law
2. We have not considered general tax benefits available to the Company or shareholders of the Company. The above statement ("**Statement**") covers only certain special tax benefits under the laws mentioned above, read with the relevant rules, circulars, notifications, and judicial interpretations thereof prevailing in the country, as on the date of this Annexure and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Statement of possible special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
4. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed IPO.
5. Our views expressed in this Statement are based on the facts and assumptions as indicated in this Statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

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



**Amit Agarwal**  
**Chief Financial Officer**

**Place:** Gurugram

**Date:** November 1, 2021

**STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SPOTON LOGISTICS PRIVATE LIMITED (“MATERIAL SUBSIDIARY”), A MATERIAL SUBSIDIARY OF DELHIVERY LIMITED, AND THE SHAREHOLDERS OF THE MATERIAL SUBSIDIARY UNDER THE DIRECT AND INDIRECT TAX LAWS IN INDIA**

Date: November 1, 2021

To:

**The Board of Directors  
Delhivery Limited**  
Plot 5, Sector 44,  
Gurugram 122 002  
Haryana, India

**The Board of Directors  
Spoton Logistics Private Limited**  
Opposite SEZ Naman Ind Estate, ATPO Matoda,  
Village Matoda, Taluka Sanand,  
Ahmadabad, Survey No.520/1 & 520/2,  
Ahmedabad 382 213,  
Gujarat, India

**Re: Statement of possible Special Tax Benefits available to Spoton Logistics Private Limited (“Material Subsidiary”) and its equity shareholders under the direct and indirect tax laws**

We refer to the proposed initial public offering of equity shares (the “Offer”) of Delhivery Limited (formerly known as Delhivery Private Limited) (“Delhivery” or “the Company”). We enclose herewith the statements (“Annexure A” and “Annexure B”) showing the current position of special tax benefits available to the Material Subsidiary and to the shareholders of the Material Subsidiary as per the provisions of the Indian direct and indirect tax laws including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, Goods and Services Tax Acts of the respective States (collectively the “GST Act”), the Customs Act, 1962 (“Customs Act”) and the Customs Tariff Act, 1975 (“Tariff Act”) (collectively the “Taxation Laws”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2022-23 relevant to the financial year 2021-22 for inclusion in the Draft Red Herring Prospectus (“DRHP”) for the Offer as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

Several of these benefits are dependent on the Material Subsidiary or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws including the Income-tax Act 1961. Hence, the ability of the Material Subsidiary or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed Annexure are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Material Subsidiary. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult its own tax consultants, with respect to the specific tax implications arising out of their participation in the Offer particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We are neither suggesting nor are we advising the investors to invest or not to invest money based on this statement.

The contents of the enclosed Annexure are based on the representations obtained from the Material Subsidiary and on the basis of our understanding of the business activities and operations of the Material Subsidiary.

We do not express any opinion or provide any assurance whether:

- The Material Subsidiary or its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;

- The revenue authorities/courts will concur with the views expressed herein.

This statement is provided solely for the purpose of assisting the Company and the Material Subsidiary in discharging their responsibilities under the ICDR Regulations.

We performed procedures in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the Institute of Chartered Accountants of India.

This certificate is issued for the purpose of the Offer, and can be used, in full or part, for inclusion in the draft red herring prospectus, red herring prospectus, prospectus and any other material used in connection with the Offer (together, the “**Offer Documents**”) which may be filed by the Company with Securities and Exchange Board of India (“**SEBI**”), BSE Limited and National Stock Exchange of India Limited (collectively, the “**Stock Exchanges**”), Registrar of Companies, NCT of Delhi and Haryana at New Delhi (“**Registrar of Companies**”) and / or any other regulatory or statutory authority.

We hereby consent to our name and the aforementioned details being included in the Offer Documents and/or consent to the submission of this certificate as may be necessary, to the SEBI, Registrar of Companies, Stock Exchanges and/or any other regulatory / statutory authority as may be required and/or for the records to be maintained by the BRLMs in connection with the Offer and in accordance with applicable law.

This certificate may be relied on by the book running lead managers appointed in relation to the Offer (“**BRLMs**”), their affiliates and legal counsel in relation to the Offer and to assist the BRLMs in connection with the Offer. We hereby consent to this certificate being disclosed by the BRLMs, if required (i) by reason of any law, regulation, order or request of a court or by any governmental or competent regulatory authority, or (ii) in seeking to establish a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the BRLMs, the Company and the Material Subsidiary until the equity shares of the Company allotted in the Offer commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the Material Subsidiary, the BRLMs and the legal advisors appointed with respect to Offer can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms used but not defined herein shall have the meaning assigned to them in the Offer Documents.

Yours Sincerely,

**For B.B. & Associates**

Chartered Accountants

ICAI Firm Registration No: 023670N

**Balwan Bansal**

Proprietor

Membership No. 511341

Peer Review Certificate No. 011244

UDIN: 21511341AAAASZ7647

**Encl: As above**

## Annexure 'A'

### STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY AND THE SHAREHOLDERS OF THE MATERIAL SUBSIDIARY

#### A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY

There are no special tax benefits available to the Material Subsidiary.

#### B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special tax benefits available to the shareholders of the Material Subsidiary.

#### Notes:

1. The above statement of Direct Tax Benefits ("**Statement**") sets out the special tax benefits available to the Material Subsidiary and its shareholders under the current tax laws presently in force in India.
2. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.
3. This Statement does not discuss any tax consequences in the country outside India of an investment in the equity shares of the Company ("**Equity Shares**"). The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income-tax consequences that apply to them.
4. In respect of non-residents, the tax rates and the consequent taxation mentioned above may be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.
5. The above Statement covers only above-mentioned tax laws benefits and does not cover any indirect tax law benefits or benefit under any other law.

Our views expressed in this Statement are based on the facts and assumptions as indicated in this Statement. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

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## **Annexure 'B'**

### **STATEMENT OF POSSIBLE SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY AND SHAREHOLDERS OF THE MATERIAL SUBSIDIARY**

Outlined below are the special tax benefits available to the Material Subsidiary and its shareholders under The Central Goods and Services Tax Act, 2017 (“**CGST Act**”), the Integrated Goods and Services Tax Act, 2017 (“**IGST Act**”), the Union Territory Goods and Services Tax Act, 2017, Goods and Services Tax Acts of the respective States (read with respective State Goods and Services Tax Rules, circulars, notifications), the Customs Act, 1962 and the Customs Tariff Act, 1975 including the rules, regulations, circulars and notifications issued in connection with these laws (collectively referred to as “**Indirect tax**”).

#### **A. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE MATERIAL SUBSIDIARY**

##### **Exemption from payment of tax on interest income earned from bank deposits and other non-current investments**

The Material Subsidiary is entitled to avail exemption on interest income earned from bank deposits and other non-current investments in terms of Entry No. 28(a) of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

#### **B. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS**

There are no special Indirect Tax benefits available to the shareholders of the Material Subsidiary.

Notes to the above:

1. This Annexure sets out only the possible special tax benefits available to the Material Subsidiary and its Shareholders under The Central Goods and Services Tax Act, 2017 (“**CGST Act**”), the Integrated Goods and Services Tax Act, 2017 (“**IGST Act**”), the Union Territory Goods and Services Tax Act, 2017, Goods and Services Tax Acts of the respective States, the Customs Act, 1962 and the Customs Tariff Act, 1975 and does not cover any income tax law benefits or benefit under any other law
2. We have not considered general tax benefits available to the Material Subsidiary or shareholders of the Material Subsidiary. The above statement (“**Statement**”) covers only certain special tax benefits under the laws mentioned above, read with the relevant rules, circulars, notifications and judicial interpretations thereof prevailing in the country, as on the date of this Annexure. and does not cover any benefit under any other law in force in India. This Statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
3. The above Statement of possible special tax benefits sets out the provisions of Indian tax laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Offer. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION IV: ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been sourced from the RedSeer Report, which has been commissioned and paid for by us exclusively in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year, refers to such information for the relevant year.

#### INDIA: MACROECONOMIC OVERVIEW

##### Indian Economy: Fastest growing, poised to become world's 3<sup>rd</sup> largest economy by 2030

India was the 6<sup>th</sup> largest economy globally, with a GDP of c.US\$2.7 trillion in 2020. India's GDP grew at 7% annually between 2015 and 2019, making it one of the fastest-growing large economies globally.

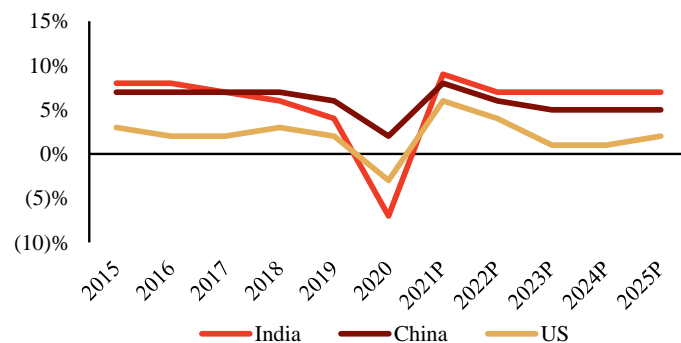
This sustained economic growth was interrupted by the COVID-19 pandemic, which caused the GDP to contract by 7.3% in 2020. Since the phased reopening of the economy, key economic indicators have recovered and surpassed 2020 levels. The recovery is expected to continue, with GDP projected to grow at ~9% per annum during 2020-2025 (according to the IMF), which is the highest growth rate across large economies.

As per the Centre for Economics and Business Research, India's GDP growth is expected to be driven by increasing private final consumption expenditure. As per the World Economic Forum, India's private consumption is expected to increase from US\$1.6 trillion in 2019 to US\$2.5 trillion in 2025, driven by increasing proportion of the working age population and growing household income.

##### Real GDP growth of India, US and China and Estimates of India's GDP at current prices

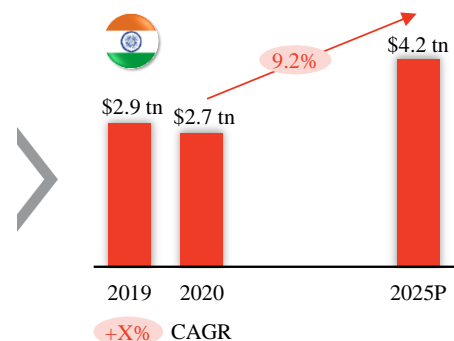
###### Real GDP Growth – India, US, China

Y-o-Y Growth (%), 2015–2025P



###### GDP At Current Prices – India

US\$ trillion, 2019, 2020 and 2025P



Source(s): Secondary Research (IMF and RBI)

Note (s): In the analysis of global benchmarks, the timeline has been kept as CY and not FY

#### INDIAN LOGISTICS SECTOR OVERVIEW

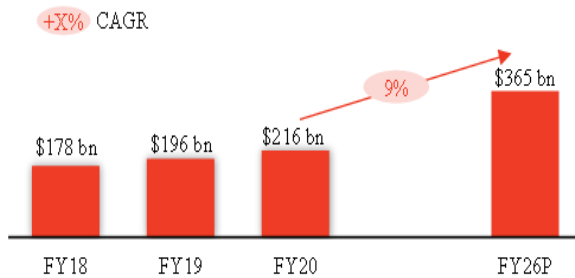
##### Large and growing sector underpinned by strong, sustainable growth drivers

The Indian logistics sector is one of the largest in the world and presents a large addressable opportunity, with a direct spend of US\$216 billion in Fiscal 2020. The sector is expected to grow to US\$365 billion by Fiscal 2026 at a CAGR of 9%, driven by:

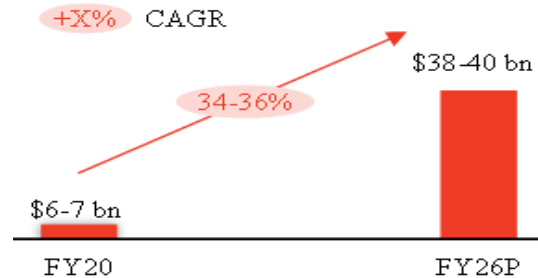
- Strong underlying economic growth
- Favorable regulatory environment in logistics, resulting in evolution of efficient supply chain formats
- Improvement in India's transportation infrastructure, especially highway connectivity
- Growth of the domestic manufacturing sector, driven by favourable policy support and increased domestic and foreign investments

- Rapid growth of the digital economy, which has led to creation of digital-native business models such as e-commerce, direct-to-consumer and social commerce
- Growth in offline commerce driven by increased offline consumption, industrial activity and cross border trade

**India's Direct Logistics Market Size (US\$ billion) <sup>1</sup>**



**Market Size of Organized Players for Road Transportation, Warehousing and Supply Chain (US\$ billion)**



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

The logistics market is primarily comprised of transportation and warehousing, of which transportation accounted for 70%, or US\$151 billion in Fiscal 2020.

Organized players accounted for only ~3.5% of the logistics market (road transportation, warehousing & supply-chain services only) in Fiscal 2020. Organized players are expected to grow at a CAGR of 35% between Fiscal 2020 and Fiscal 2026, taking their share to 12.5-15% by Fiscal 2026 of the logistics market (road transportation, warehousing & supply-chain services only). This shift is expected to be driven by the ability of organized players to offer integrated services, network and scale-driven efficiencies and larger investments in technology and engineering, resulting in higher share of wallet with customers.

Further, the Indian logistics industry is characterized by high indirect spends on account of high inventory carrying costs, pilferage, damage and wastage. Indirect spends were estimated at US\$174 billion in Fiscal 2020 and are expected to marginally decline to US\$166 billion by Fiscal 2026. This reduction will be led by organized players through superior logistics infrastructure that reduces pilferage and damages, efficient operations that reduce turnaround time and better utilize the logistics network capacity and through scale which drives consolidation and eliminates redundancies.

### Indian Logistics Market is Ripe for Disruption

Total logistics spending in India was ~14% of GDP in Fiscal 2020, which is significantly higher than developed countries like Germany and the US, where logistics spend is ~8% of GDP.

**Fragmented and unorganized supply:** The Indian logistics market is highly fragmented compared to other markets. The road transportation market in India was estimated to be US\$124 billion in Fiscal 2020, but is highly fragmented and unorganized. Over 85% of fleet-owners operate fleets of less than 20 trucks, many of which are typically older 2-axle rigid-body vehicles, comparatively smaller in size than the trucks in developed markets and poorly utilized (driving less than 325 kms/day on an average). Indian warehousing is similarly fragmented and unorganized. The sector is characterized by a large number of small warehouses (less than 10,000 square feet) that account for nearly 90% of the warehousing space in India.

The top 10 organized players account for ~1.5% of the logistics market in India, versus ~15% in the US and ~7-10% in China. The largest logistics companies in the US and China are 20-30x and 10x+ the size of India's largest logistics companies, while GDPs are 8x and 5x of India. Also, large US and China logistics players offer integrated services across the supply chain while Indian players have historically been regional or vertical-focused and typically provide mono-line services only.

## Comparison between US, China and India logistics markets

Parameter	US	China	India
GDP <sup>(1)</sup>	US\$21 trillion	US\$14.7 trillion	US\$2.7 trillion
Logistics market spend <sup>(2)</sup>	US\$1.6 trillion	US\$2.2 trillion	US\$390 billion
Total logistics spend as a % of GDP	~8%	~15%	~14%
Direct spends as % of GDP	~7%	~10%	~8%
Indirect spends as % of GDP	~1%	~5%	~6%
Per capita logistics spend	~US\$4,860	~US\$1,540	~US\$280
Per capita direct logistics spend	~US\$4,460	~US\$1,050	~US\$150
Per capita indirect logistics spend	~US\$400	~US\$490	~US\$130
Share of top 10 organized players <sup>(3)</sup>	~15%	7-10%	~1.5%
Average size of warehouse (sq.ft.)	100-200k	20-50k	8-12k
Average size of truck (ft.)	48	45	24-32
Average daily distance travelled by trucks (kms)	500+	423	325
<b>Indicative Set of Listed Players<sup>(4)</sup></b>			
Express Parcel Delivery	FedEx, UPS, USPS, Amazon	ZTO Express, Best Logistics, JD Logistics, SF Holdings, YTO Express, STO Express, Yunda	Delhivery, Blue Dart
Part Truck Load	FedEx, UPS, XPO Logistics, Old Dominion, SAIA	ZTO Express, Best Logistics, Deppon Logistics	Delhivery, VRL Logistics, TCI Express, Gati
Truckload	FedEx, UPS, Knight Swift Logistics, J.B. Hunt, Werner Enterprises	Best Logistics, SF Holdings, Full Truck Alliance	Delhivery, TCI, VRL Logistics
Supply Chain Services	UPS, GXO Logistics, FedEx	JD Logistics, Best Logistics	Delhivery, Mahindra Logistics, DHL Supply Chain

Source(s): RedSeer Research, RedSeer Estimates

Notes: (1) CY2020 for US, China and India; (2) CY2020 for US and China, FY20 for India; (3) Share of top 10 organised players is based on domestic road transportation, warehousing and supply chain revenues only; (4) All players mentioned in the table above, other than Delhivery, are either listed or are unlisted subsidiaries of listed MNCs

## Comparison of business models across US, China, and India

	Network Design	US	China	India	
		Hub-Spoke	Hub-Spoke	Traditional 3PL	Delhivery
Typical Nature of Asset Holdings		Asset-heavy; self-owned infrastructure and fleet	Self-owned infrastructure; mix of self-owned and partner operated fleet and last-mile	Asset-light; mainly partner operated assets	Asset-light; leased infrastructure and fleet, selective ownership of strategic technology assets
Automation		High degree of hardware automation	High degree of hardware automation	Low automation; mainly manual operations	High degree of automation with full control over the value chain

Sources: RedSeer Research, RedSeer Analysis, Annual Reports of Logistics Players

Notes: (1) Asset light is defined as a business model with low ownership of physical assets (2) Degree of automation is defined as intensity of reduction in manual processes using technology to perform iterative tasks.

## Key Factors Causing Inefficiency and Fragmentation

**Historically complex indirect taxation structure:** Prior to rollout of GST, India's complex indirect tax regime impeded smooth inter-state movement of goods. As a result traditional players remained regional and sub-state, resulting in significant inefficiencies. Pre-GST, ~60% of travel time was lost due to onerous paperwork and tax



compliance procedures at inter-state checkpoints. Similarly, companies focused on tax savings, instead of cost efficiencies resulting in building of multiple localized sub-scale warehouses.

**Poor road infrastructure:** India's road connectivity has historically been underdeveloped in terms of quality and connectivity. As a result, Indian trucks travel significantly lower distances (approximately 325 kilometres per day) compared to the global average of 500 to 800 kilometres. This has resulted in longer turnaround times, higher fuel and maintenance costs and opportunity costs of lost business.

**Prolonged under-investment by Incumbents in capability building:**

- **Technology, infrastructure, design and engineering capabilities:** Sub-scale and mono-line players have historically been reluctant to upgrade their networks through investments in critical technology, infrastructure and automation capabilities.
- **Data capabilities:** Lack of investment in technology has led to lack of collection, structuring and analysis of data. As a result, traditional players have relied mainly on rules-of-thumb and manual operations rather than sophisticated data-driven decision making.
- **Skilled labour and automation:** Logistics operations have traditionally been run by unskilled labour, who have been equipped to handle manual operations, and are not up-skilled or trained enough to operate on new-age automated systems or take data-driven decisions.
- **High quality talent:** Several traditional logistics businesses in India have been family-owned and managed with limited ability to attract and retain high-quality professional talent. As a consequence, these organizations have often been unable to introduce new practices and innovate as required by changing the industry landscape.

## **GROWTH DRIVERS IN ORGANIZED LOGISTICS**

### **Evolving B2C demand and consumption trends**

India's GDP per capita is expected to cross US\$2,000 in 2021. The middle-income segment with an income range of US\$7,500 to US\$15,000 per annum currently forms ~27% of the working age population and is expected to expand to ~40% in the next 5 years. India is also one of the youngest nations in the world. Millennials (those born in the 1980s and early 1990s) and Generation Z (those born after the mid-1990s) are driving digital adoption and consumption growth.

In addition, factors such as availability of low-cost smartphones and low-cost, reliable internet are expected to drive continued growth. India had a base of over 500 million smartphone users in 2020, which is expected to cross 800 million users in 2025. Internet adoption has more than doubled from ~300 million unique users in 2015 to 650-700 million unique users in 2020 and is expected to touch close to 1 billion users by 2025. In 2020, India had data consumption of 15.7 GB per month per smartphone, significantly higher than the global average of 9.4 GB and even the China average of 11 GB.

As a result, online shoppers are expected to double to 330-350 million by Fiscal 2026 from 160 million in Fiscal 2021. Over 50% of shoppers were from Tier 2+ towns as of Fiscal 2021. Demand from Tier-2+ towns is expected to drive growth of e-commerce, with ~38% growth for Tier 2+ e-commerce market versus ~31% growth for overall market between Fiscal 2021 and Fiscal 2026.

In addition to e-commerce marketplaces, growth in new models such as direct-to-consumer, omni-channel and social commerce are expected to disrupt retail models. The D2C category is projected to grow from approximately 100 million shipments in Fiscal 2021 to approximately 600 million shipments in Fiscal 2026, at a CAGR of 45%. Similarly, social commerce volumes are expected to grow 10x from 130 million shipments in Fiscal 2021 to 1,300-1,400 million shipments in Fiscal 2026. Along with new models, category expansion is also expected to drive growth with emerging segments like large appliances, white goods, home and furniture transitioning online, and are among the fastest growing in e-commerce.

These structural changes in the consumption economy will require reliable logistics as a key enabler.

### **Evolving B2B demand and consumption patterns**

***Evolving business models:*** The emergence of new digital-native segments, new distribution channels and go-to-market strategies such as direct-to-retail (D2R) and direct-to-consumer (D2C) are driving the need for innovation in the traditional B2B supply chain, with greater demand for supply-chain visibility, precision and value-added services.

***Changing production trends:*** Manufacturing accounts for 17% of India's GDP and has emerged as a high-growth sector on the back of strong push by the Indian government through initiatives like Make in India, production-linked incentives (PLI), government tenders for domestically manufactured goods etc. As a result, Indian manufacturing has been transitioning from bulk commodities to non-commodity consumption-focused products which need faster go-to-market and more reliable and efficient logistics operations.

***Demand for integrated services:*** With the rollout of GST, enterprise customers are increasingly looking to optimize their supply chains for speed and efficiency. This shift towards a "total-cost" approach is driving the demand for reliable, national, integrated supply chain service providers instead of traditional, mono-line partners.

***Emergence of new markets:*** Economic growth of Tier-2+ towns is increasing demand for reliable turn-around times and efficiency comparable to larger urban centres, further driving the need for integrated, national logistics players.

### **Enabling regulatory and policy reforms**

The Indian government has undertaken several regulatory and policy reforms to drive economic growth, enhance general capital formation, support infra-development and facilitate ease of doing business. Some of these measures have directly benefited the Indian logistics sector, such as implementation of Goods and Services Tax ("GST"), National Logistics Policy and Logistics Efficiency Enhancement Program. These measures are rationalizing the indirect tax structure, improving transportation infrastructure and expanding connectivity, thereby improving overall logistics efficiency.

GST in particular has been a key factor in catalyzing the growth of organized logistics in India. By eliminating state border checkpoints and compliance scrutiny, GST has facilitated smoother and faster flow of goods across the country and significantly reduced overall transportation costs. In addition, GST has eliminated the previous need for companies to establish localized warehouses to minimize inter-state movement and associated taxes. The single tax regime allows for consolidation of warehouses into larger units that benefit from economies of scale and that are better suited to benefit from technology adoption.

This has created increased demand for pan-India, integrated warehousing and transportation models which allow customers to scale operations with low fixed costs while creating opportunities for optimizing footprints and capacity utilization, lower inventory and faster and cheaper fulfilment. These changes will therefore enhance the role of large, organized logistics players, while reducing customer dependence on smaller transportation companies that thrive principally on last-mile delivery consignments and also favour asset-light networks that are equipped to realign their infrastructure and network in response to changes in their customers' operations.

### **Technology-driven supply chain transformation**

Sub-scale and predominantly manual operations have led to under-investment in technology and data capabilities by most traditional Indian logistics players. This has prevented companies from responding to changing customer needs, optimizing networks, efficiently utilising capacity and improving customer service.

***Capacity utilization:*** Vehicles in India are frequently under-utilized, from both fill rate and time utilization perspectives. Fleet owners often have to haul freight at ~70% fill-rates, face utilization challenges due to seasonal demand and face challenges in finding return loads or attempt to charge customers for the cost of empty back-haul due to lack of demand information. New-age logistics companies have begun to solve these problems by using technology for route consolidation and to forecast and match demand and supply more efficiently.

***Data-driven decision support:*** Advanced data analytics capabilities when applied to integrated supply chain data has enabled new-age players to create more opportunities to optimize decisions such as facility placement, inventory management, fulfilment route selection, truck selection and fraud detection.

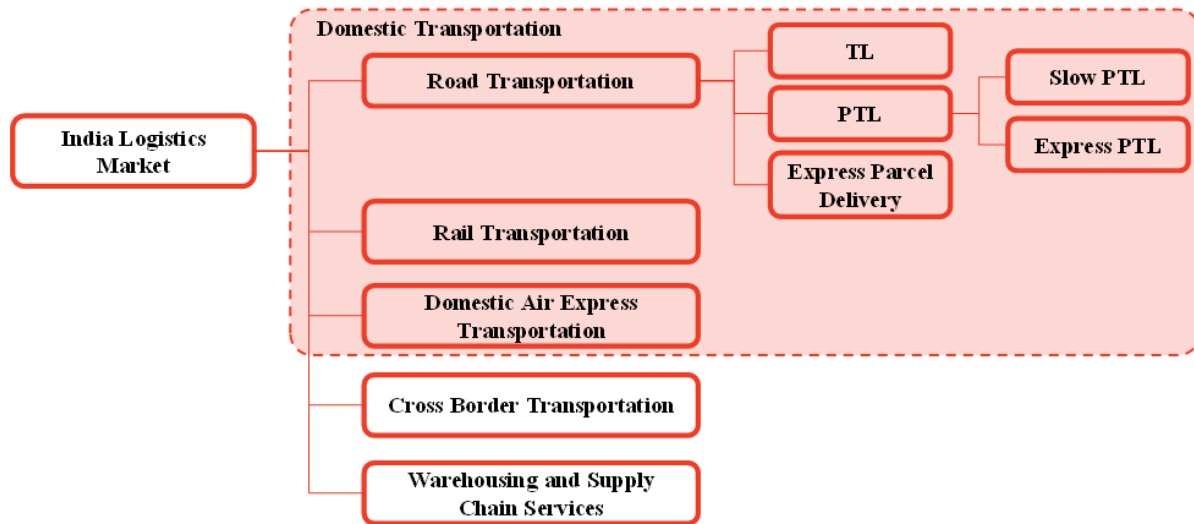
***Hardware and software automation:*** Warehouse and Transportation Management Systems (WMS/TMS) are automating business workflows, reducing paperwork and improving operational visibility and precision. Further,

investment in automation and robotics are improving operational throughput and precision, thereby lowering human errors and operating costs.

All of these trends, when combined, create strong tailwinds for pan-India, technology-led logistics companies to provide an integrated suite of low-cost, reliable logistics services. As these trends accelerate, organised players have the potential to grow faster than estimated and to achieve more than estimated 10-15% market share by Fiscal 2026.

## INDIAN LOGISTICS SECTOR: OVERVIEW OF KEY SEGMENTS

### Structure of the Indian logistics market



Source(s): RedSeer Research

Note(s): 1. Market structure excludes freight transport through ship, Inland Water Transport (IWT) and pipeline.

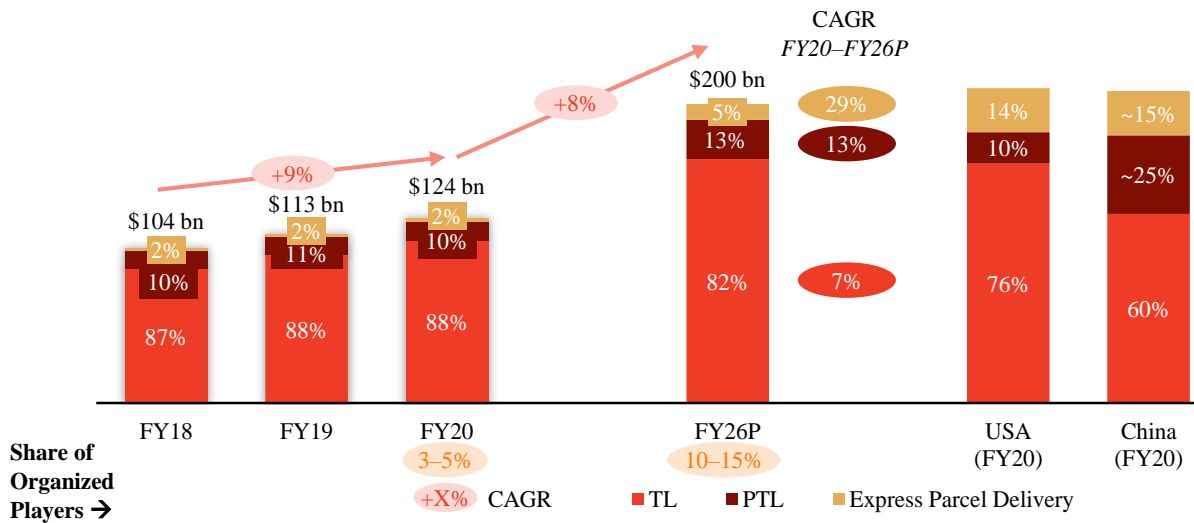
Indian logistics players have evolved differently compared to global counterparts in other large economies. Chinese operators, for instance, employ large franchise partner networks for pick-up and delivery along with owned mid-mile assets resulting in varying degrees of asset intensity. Large US providers, though, typically own the entire warehousing, mid-mile and pick-up and delivery infrastructure, including even fleets, making them significantly more asset-heavy.

New-age, tech-enabled players in India have built asset-light models with full control over network partners and leased mid-mile and fleet assets, enabled by proprietary technology systems. These players have grown rapidly over the past few years and consistently reduced operating losses as they have scaled operations. Delhivery was the largest and fastest growing fully-integrated logistics services player in India by revenue as of Fiscal 2021. Due to its fully integrated stack of services, asset-light model and technology-led control of network assets and partners, Delhivery has developed the ability to address all aspects of the supply chain, thereby catering to a large part of the overall logistics market in India.

## ROAD TRANSPORTATION: LARGEST SEGMENT OF INDIAN LOGISTICS

With a national highway network of 150,000 kms, India has the second largest road network in the world. 70-80% of freight movements in India are short-to-medium haulage, where road transportation is the quickest and cheapest alternative. The total road transportation market was estimated at US\$124 billion in Fiscal 2020 and is expected to grow at a CAGR of ~8% to reach US\$200 billion in Fiscal 2026.

**Road Transportation Market (US\$ billion)**



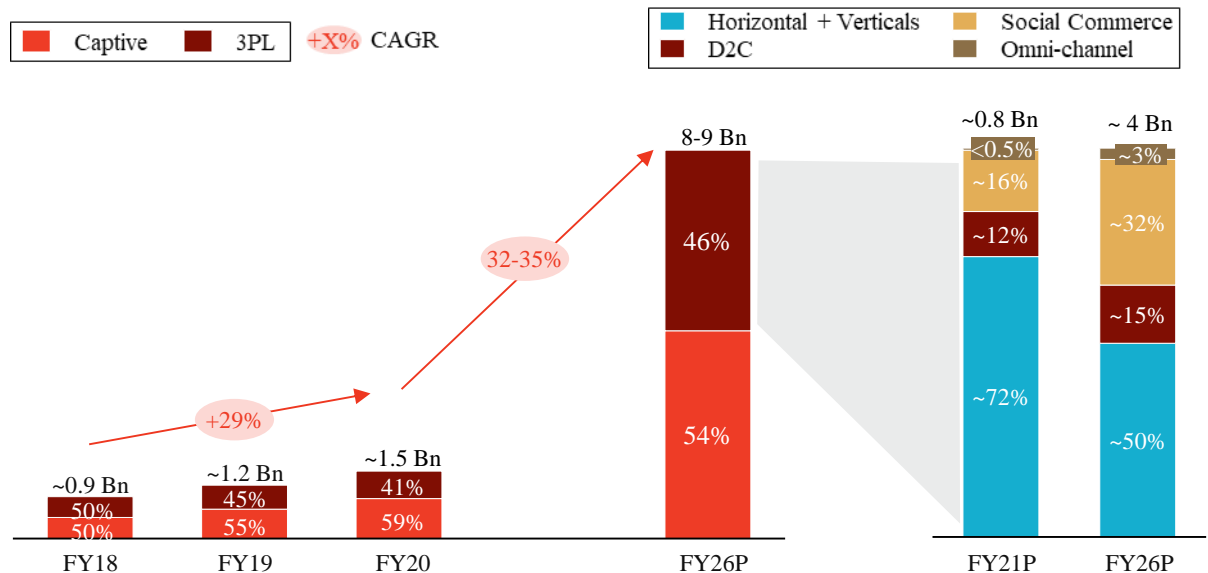
Source(s): RedSeer Research, RedSeer Estimates

**Express Parcel: Fastest growing segment of Road Transportation**

Express delivery refers to delivery of parcels weighing less than 40 kilograms. These are typically e-commerce orders or business documents, with standard turnaround times of less than 3-4 days. The express parcel delivery market was estimated to be ~US\$2.3 billion in size in Fiscal 2020 and is expected to reach ~US\$10-12 billion by Fiscal 2026 at a CAGR of 28-32%.

This segment has been driven by growth of e-commerce and rising customer expectations for delivery speed. The e-commerce industry in India grew by 31% from Fiscal 2018 to Fiscal 2020 and is estimated to further grow by 30-33% from Fiscal 2020 to Fiscal 2026. Total e-commerce volume was estimated to be 1.5 billion shipments in Fiscal 2020, which is expected to reach 8-9 billion by Fiscal 2026, at a CAGR of 32-35%.

**Total eCommerce shipments in India – by type of logistics and 3PL shipment share – by eCommerce model**



Source(s): RedSeer Analysis

Note: eCommerce shipments represent total eTailing, D2C, Omni channel and Formalized Social Commerce

### Key trends in underlying markets

Markets	Key trends
Traditional e-Commerce	Other than 2 horizontal e-commerce marketplaces, other players increasingly relying on third-party players
D2C & Social e-Commerce	100% parcels delivery outsourced to 3PLs to ensure focus on core product
e-B2B	Outsourcing is higher as 3PLs serve as a Plug and Play option for fast growing eB2B companies
C2C, BFSI	Shifting from traditional players to tech-enabled 3PLs due to faster delivery and lower costs

Source: RedSeer Report

This segment has emerged in the last decade in response to the growth of marketplaces, direct-to-consumer and social e-commerce. The following drivers will continue to support the robust growth of this segment:

**Internet economy:** Proliferation of smartphones and localization of the internet in non-English languages is drawing in new consumers from non-metro locations into the internet economy and creating new demand for online commerce

**Category expansion:** As more categories go online, consumers are able to shop for an increasing share of their requirements online

**New business models:** New models such as D2C, social commerce and video and influencer-based commerce are creating new touchpoints and drawing in new consumers to the market

**New payment methods:** Availability of multiple payment options such as UPI, no-cost EMI, BNPL etc. are driving adoption of digital commerce by more consumers

**Value added services:** Availability of value added services such as return logistics and easy replacement policies are enabling e-Commerce players to provide a superior experience to their customers

#### **Top players in the express parcel delivery market (based on shipment volume)**

The express parcel delivery market is mostly catered to by organized players, who are expected to maintain their share of the market. 3PL players handled 41% of e-commerce shipments in Fiscal 2021, which is expected to rise to ~46% by Fiscal 2026, as e-Commerce companies focus increasingly on core business operations and new-age logistics companies continue to build scale, expand reach and improve delivery timelines. New-age, technology enabled 3PL providers provide the following clear advantages over in-house logistics:

- Scaled-up and flexible networks that can better handle multiple models, product types and volume fluctuations, compared to networks which are designed for relatively limited internal use cases
- Approximately 20% lower cost per shipment (costs include warehouse and process costs, first mile, line haul, last mile, and RTO costs) than captive players with comparable service metrics

In addition, barriers to entry in this segment have become high, since express parcel delivery requires large reach, scale operations, flexibility, deep technology integration and the ability to provide bespoke value added services. Delhivery was the largest and fastest growing 3PL express parcel (and heavy parcel) delivery player in India by volume and revenue as of Fiscal 2021 and Q1 Fiscal 2022. Delhivery had 16% and 20% share of the overall e-commerce volumes (including captive players) and approximately 40% and 42% share of the e-commerce volumes handled by 3PL players for the fiscal year ended 2021 and first quarter of Fiscal 2022 respectively. Delhivery operates the largest network for heavy parcel (large appliances or white goods, appliances, home & furniture and sports equipment) delivery in India.

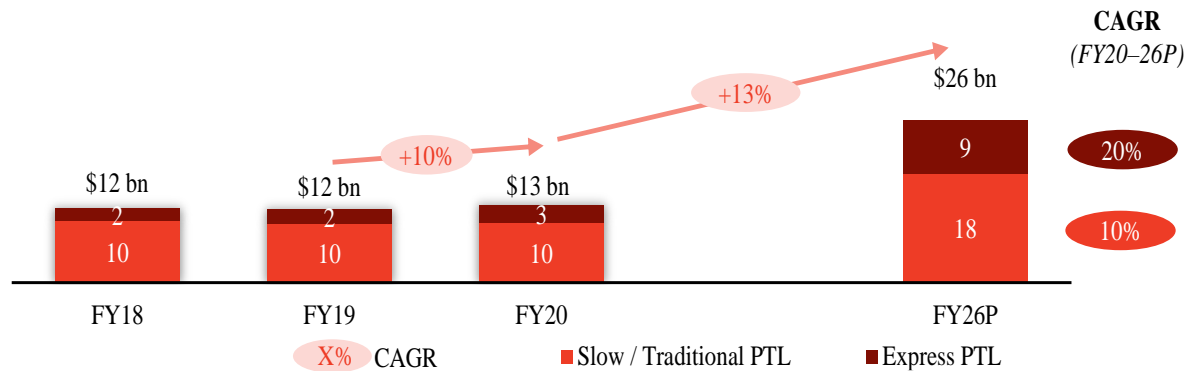
#### **Part Truckload (PTL) Freight: Rapidly shifting towards Organized Players**

PTL freight refers to delivery of consignments with weights of between 10-2,000 kgs. PTL providers operate a network of pick-up and delivery points and terminals where freight from different customers that is traveling in similar directions is consolidated. This consolidation leads to lower transportation costs for individual customers, while providing faster delivery times and greater flexibility.

The PTL market, which was estimated to be US\$13 billion in Fiscal 2020 is expected to double to US\$26 billion in Fiscal 2026. There are two key segments in this market:

- **Express PTL:** Turnaround times of 3-5 days, typically focused on smaller consignment sizes
- **Traditional PTL:** Turnaround times slower than Express PTL. Used by relatively time-insensitive shippers who are comfortable with waiting for carriers to consolidate freight loads. Typically focused on heavier consignments.

**Size of the Indian PTL Market (US\$ billion)**



Share of organized players	FY20	FY26P
(Overall PTL) →	~11%	~30-32%
(Slow PTL) →	~6%	~13%
(Express PTL) →	~24%	~70%

Source(s): RedSeer Analysis, RedSeer Research

Express PTL segment is expected to triple in size from ~US\$3 billion in Fiscal 2020 to ~US\$9 billion in Fiscal 2026, growing twice as fast as the traditional PTL market. The traditional PTL market was estimated to be ~US\$10 billion in Fiscal 2020 and is expected to touch ~US\$17 billion by Fiscal 2026.

Organized players accounted for ~24% share of Express PTL in Fiscal 2020, which is expected to rise to ~70% by Fiscal 2026, growing at a CAGR of 45%. Overall, organized players accounted for 11% of the PTL market in Fiscal 2020, which is projected to increase to 32% by Fiscal 2026, growing at a CAGR of 34% compared to 13% for the overall market. The following factors are driving the shift to organized players:

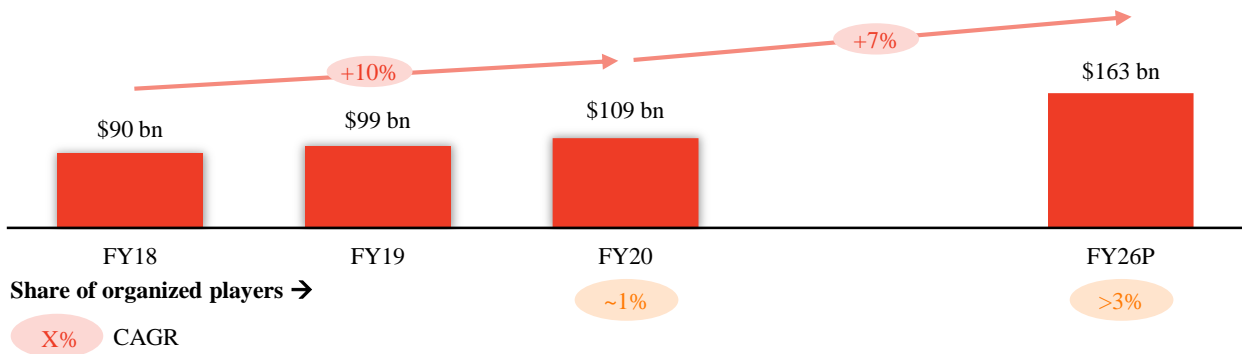
- **Changes in Supply Chain structures:** Larger, consolidated warehousing has led to increasing need for speed and reliability over longer distances
- **Changing customer expectations:** Brands and retailers with omni-channel operations increasingly need to match turnaround times of e-commerce players at affordable costs
- **Infrastructure improvements:** Improving road infrastructure combined with availability of larger truck sizes is leading to higher capacity utilization and lower cost of operations for organized players
- **Penetration of technology:** Availability of data such as road network information, weather data and telemetry data from IOT devices enables organized players to make better decisions on route and fleet management
- **Category expansion:** Newer e-Commerce categories such as appliances, home and furniture are better suited to move through PTL networks due to their large parcel size

New-age technology enabled logistics players are rapidly expanding PTL operations, especially in the Express PTL segment. Delhivery (post acquisition of Spoton) became the third largest PTL player in India in terms of revenue as of Fiscal 2021 with market share of ~8.3% in organised PTL market and operates the fastest growing PTL freight service among the top 10 PTL freight service providers in India as of Fiscal 2021.

**Truckload Freight: Largest segment of Road Transportation, Ripe for Disruption**

Truckload Freight (TL) refers to delivery of a full truck/trailer load of freight, moving directly from shipper or origin point to consignee or point of destination. This is the largest segment of road transportation, with a market size of US\$109 billion in Fiscal 2020 that is expected to reach US\$163 billion by Fiscal 2026. Some of the largest end users of TL freight include the FMCG, agriculture, raw materials, automotive and spare parts, manufacturing, retail and pharmaceuticals industries.

#### Size of the TL Market (US\$ billion)



Source(s): RedSeer Research, RedSeer Estimate

The TL market has been historically fragmented and plagued with information asymmetries and intermediary costs. Over 85% of fleet owners operate fleets of less than 20 trucks, and therefore depend on a network of brokers and transporters (broker-cum-fleet-owners) who match demand and supply of truckload freight locally. Small fleet sizes coupled with absence of national load-boards and low adoption of technology has led to industry-wide problems like:

- Inefficient matching of supply and demand, especially on backhaul lanes
- Significant price volatility for customers and earnings volatility for fleet-owners due to seasonality and other supply shocks
- High cost of working capital financing
- Inconsistent service quality and long wait times

TL markets globally are witnessing disruption from new-age, technology-enabled logistics providers. The drivers for this disruption include:

- **Digitization of Supply Chain Operations:** New-age players provide Transportation management systems (TMS) to customers and mobile applications to suppliers of fleet capacity (including self-owned fleets), thereby creating real-time visibility and more efficient matching of demand and supply and reducing overhead costs through digitization of previous offline processes
- **Real-time visibility and control:** Telemetry data from GPS systems, SIM-based tracking and smart-tag data enable new-age players to ensure service quality and maintain continuous visibility of supply
- **Data-led efficiencies:** Analysis of current and historical performance data of fleet-owners, more accurate demand forecasting and real-time supply visibility enable new-age players to provide better pricing estimates and also provide working capital financing to fleet-owners at lower costs
- **Large internal demand:** Integrated players are able to provide captive internal demand from their other business lines and thereby better lock-in suppliers of truckload freight capacity to their platforms

These drivers are expected to increase share of organized players from ~US\$1 billion in Fiscal 2020 to US\$7 billion in Fiscal 2026 at a CAGR of 40% vs. 7% in India as well.

#### DOMESTIC RAIL TRANSPORTATION

India has the 4<sup>th</sup> largest railway network globally and is also the 4<sup>th</sup> largest rail freight market in the world. The domestic rail transportation market stood at a size of ~US\$21 billion in Fiscal 2020, which is expected to reach US\$47 billion by Fiscal 2026 at a CAGR of 17%. However, rail's share in freight has been continuously declining, standing at 18% in 2020 (versus 71% for road transportation). This has been driven by historical under-investment in capacity expansion and a lack of upgradation of existing capabilities and high-density routes.

The Indian government has made rail a key investment priority, with several initiatives such as development of the Dedicated Freight Corridor and introduction of roll-off-roll-on (RORO) capabilities on select routes. Several factors suggest that rail could be a cost-effective and efficient alternative for a significant share of India's freight in the future:

- Commodity mix that has a high share of bulk goods – suitable for rail's bulk-handling capabilities
- Longer travel distances are suitable to rail's economies of scale relative to road freight transport

#### **DOMESTIC AIR EXPRESS TRANSPORTATION: NICHE SEGMENT WITH LIMITED GROWTH**

The domestic air-express transportation market was estimated to be US\$0.8 billion in Fiscal 2020 and is expected to touch US\$1.2 billion Fiscal 2026. Air-express is a relatively niche service suitable for highly time-sensitive shipments requiring reliable, mid to long-distance transportation.

Air cargo in India is moved through dedicated cargo aircraft as well as belly capacity available on passenger planes. The market is serviced mainly by Air India and a few charter cargo operators and domestic passenger airlines. A large and fragmented base of domestic freight forwarders also function as booking and fulfilment agents for air-express capacity. The sector faces increasing competition from infrastructure and speed improvements in road transportation, which is significantly more cost-efficient. As a consequence, this segment is expected to grow at a slower rate than the overall logistics market.

#### **CROSS-BORDER LOGISTICS: NASCENT SEGMENT WITH LARGE GROWTH POTENTIAL**

Cross-border transportation is done primarily through air and ocean shipping. The cross-border air transport market stood at ~US\$5.4 billion in Fiscal 2020 and is expected to reach US\$8.2 billion by Fiscal 2026. Airports Authority of India handled ~2 million MT of international freight movements (import + export) in Fiscal 2021. The international air freight market is driven by growth in trade, especially cross border e-commerce (import as well as Indian sellers selling in global markets). Ocean freight is significantly more cost-efficient than air-freight, and suited for larger, less time-sensitive freight movements. Ocean freight forms 25-30% of the total cross-border transportation market.

Capacity in the cross-border transportation market is quite consolidated in both air and ocean segments. Air freight is dominated by international integrators such as FedEx and DHL and domestic and international passenger airlines, while ocean freight is primarily serviced by large liner companies such as AP Moeller Maersk. However, as with domestic air express, a large network of domestic booking agents and freight forwarders function as resellers of this capacity to enterprise and SME customers across the country.

#### **WAREHOUSING**

India had a per capita warehousing stock of 0.02 sq. m. compared to the US and China which had per capita warehousing stock of 4.4 sq. m and 0.8 sq. m. respectively, as of 2020. While warehousing space taken up fell 11% YoY in Fiscal 2020, overall warehousing market growth has been robust, at 44% CAGR during Fiscal 2017-2020.

Demand for warehousing is being driven by rapid growth in e-commerce, organized retail, manufacturing and international trade. Increasing private investments from domestic and foreign investors and easing of regulations are further driving consolidation and growth of the sector, including specifically:

- Rollout of GST leading to demand for large, consolidated warehousing
- Increasing shift towards optimization of "total-cost" of supply chain (both direct and indirect costs), leading to preference for integrated and scaled-up logistics players
- Increased demand for high volume, low cost operations for e-commerce fulfilment with flexibility to handle multiple categories of goods
- Increasing adoption of technology such as WMS and Warehouse Control System (WCS) systems, data analytics and automation

#### **SUPPLY CHAIN SERVICES: KEY ENABLER FOR RAPIDLY CHANGING COMMERCE LANDSCAPE**



Supply chain services refers to integrated warehousing, transportation and technology solutions created for industry-specific and customer-specific requirements. The Indian supply chain services market (including warehousing) was estimated to be US\$65 billion in Fiscal 2020 and is expected to reach US\$109 billion by Fiscal 2026. The share of organized players is expected to increase from US\$1.6 billion in Fiscal 2020 to US\$13-15 billion in Fiscal 2026 at a CAGR of 42-45%.

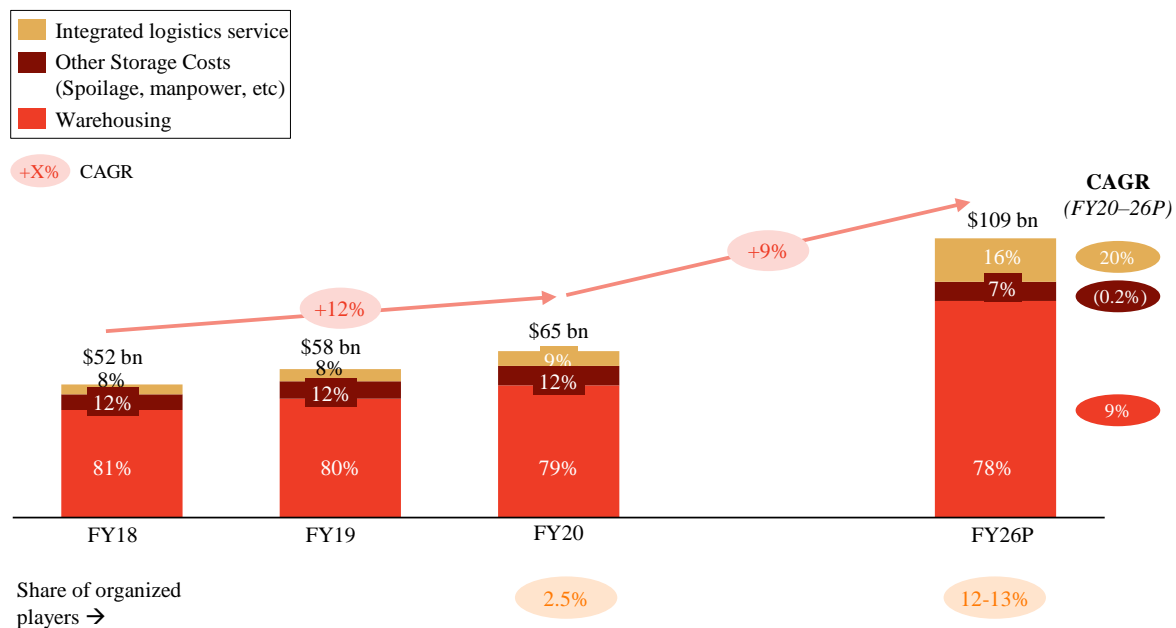
Within the overall supply chain services market, the integrated supply chain services segment is an evolving segment requiring bespoke supply chain solutions. These bespoke solutions are designed to solve structural challenges such as:

- Improving real-time visibility and control of key supply chain metrics
- Managing operations across multiple demand channels, especially combining online and offline
- Increased need to share infrastructure and operational capacity to reduce overall supply chain costs
- Need to reduce cost of inventory through optimal sourcing or manufacturing and placement
- Expansion into new markets (Tier 2+, rural) while maintaining service quality
- Ability to create new operational processes in response to changing customer and market needs

Demand for these complex integrated solutions is driving enterprises to increasingly seek a single or smaller set of service providers. The overall integrated supply chain services market size is pegged at ~US\$6 billion in Fiscal 2020 and expected to reach ~US\$17 billion in Fiscal 2026 growing at a CAGR of 20%.

### Size of the Indian Supply Chain Services Market

#### Supply Chain Services Market



Source(s): RedSeer Analysis, RedSeer Research.

Note(s): (1) Integrated logistics service includes management of first mile, line-haul, last mile shipment movement and warehousing, packaging & processing of shipments. (2) The market includes services by Captive logistics arm and third-party logistics players

### FUTURE TRENDS AND OPPORTUNITIES IN THE SECTOR

**Supply Chain Technology Systems:** Global logistics, despite decades of development, continues to be plagued with inefficiencies due to unavailability or lack of inter-operability of systems used by shippers, operators and other entities across the supply chain. Offering standardized supply chain technology in the form of flexible, configurable transportation and warehouse management systems (TMS/WMS) and creating unified information

standards would address many of these inefficiencies. The total logistics Software as a Service (SaaS) opportunity, including operations technology and associated products, is estimated to be ~US\$18 – 25 billion as of Fiscal 2020.

**Supply Chain Financing:** Scaled-up, organized players have gained proprietary access to large sets of customer, product and geographic data which are valuable to lenders or to these organized players themselves to provide financing to various participants in the supply chain. This could include working capital or asset financing to partners in the logistics value chain or even to counterparties trading with each other via the supply chain platform.

**Greening of the Industry:** The Indian government is increasingly encouraging adoption of electric vehicles in logistics operations to reduce emissions. Organized players are well-positioned to lead the transition to electric vehicles in cargo as well as pick-up and delivery operations.

## IN SUMMARY

In summary, with the evolution of the Indian logistics and supply chain market, driven by changing needs of enterprises and customers, favourable regulatory changes, availability and penetration of technology systems and availability of capital, technology-enabled and integrated logistics players are best positioned to disrupt the market.

As businesses and their customers evolve the need for flexible and scalable logistics services becomes increasingly important. Technology and data analytics capabilities are becoming key to enable a holistic view of the entire supply chain. Traditional players in the Indian market have been built with a manpower and infrastructure-first mindset with insufficient investment in developing technology and data analytics capabilities. As a result, traditional players who have remained focused on a single segment or geography and are operating with time-consuming, manual processes lack the technical capability, organization design and management expertise to keep up with the changing market.

New-age players have built sophisticated proprietary technology systems and are investing in data sciences (AI & ML), cutting edge engineering and automation and new age technologies – Vision ML, drones and robotics with APIs that can integrate with a universe of customer systems, business applications and partners, along with advanced data analytics capabilities. These systems also contain feedback loops built over long periods of time and serve large number of customers that enable them to become more intelligent with time and react faster to changing customer needs.

As a result, organized, new-age and technology-enabled logistics players in India are positioning themselves for growth in digital consumption in India across eCommerce, D2C, omni channel and other digital commerce as well as in the offline commerce. Among such players, Delhivery is well positioned at the cross-section of the various logistics sector growth drivers including infrastructure, offline commerce, digital consumption and adoption of technology & data sciences.

Amongst independent e-commerce focused logistics players, Delhivery has made the highest investments in technology and automation (in warehouse and sortation centres) and has built the largest technology team of engineers, developers and data scientists and is well positioned to gain share across business lines.

### Comparative Analysis of Service Offerings of different Indian Players

As seen below, most incumbents in India are focused on specific service lines only. A few players with multiple service lines tend to be dominant in one line of business with other lines generally being nascent or sub-scale.

Dominant source of revenue		Present in the line of business					Nascent presence			
		Service Offerings								
Primary Focus	Players	Express Parcel Delivery	Express PTL	Slow PTL	TL	Express Air	Warehousing	End-to-end 3PL	Cross Border	
B2C / C2C eCommerce	Delhivery	✓	✓		✓	✓	✓	✓	✓	
	Player A	✓				✓	✓			
	Player B	✓	✓			✓	✓	✓	✓	

Dominant source of revenue		Present in the line of business				Nascent presence			
		Service Offerings							
Primary Focus	Players	Express Parcel Delivery	Express PTL	Slow PTL	TL	Express Air	Warehousing	End-to-end 3PL	Cross Border
	Player C	✓	✓		✓	✓			
B2B Tech Enabled	Player D		✓		✓		✓		
	Player E		✓		✓				✓
B2B Traditional	Player F		✓	✓	✓		✓	✓	
	Player G		✓	✓	✓		✓		
	Player H	✓	✓	✓	✓		✓		✓

Source(s): RedSeer Research, RedSeer Analysis

## OUR BUSINESS

Unless otherwise indicated, industry and market data used in this section has been derived from the RedSeer Report, which has been commissioned and paid by us in connection with the Offering. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year, refers to such information for the relevant year.

### OVERVIEW

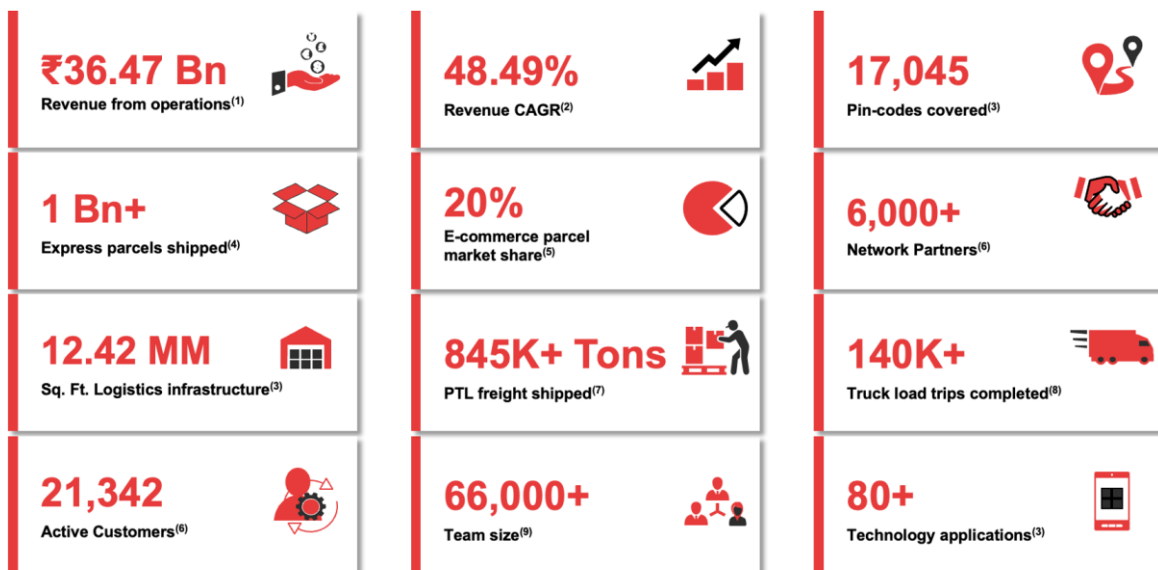
**We aim to build the operating system for commerce.** Our business is guided by three operating principles:

**People-centricity:** Our infrastructure, network and technology enable us to solve supply-chain problems that affect millions of people every day.

**Growth through partnership:** We believe that systemic change requires cooperation and collaboration. Our infrastructure and technology capabilities are designed to be accessible to our partners in India and around the world.

**Efficiency, always:** Saving money for our customers allows them to do more with what they have. We strive relentlessly for efficiency and for new ways to reduce costs throughout the supply chain.

According to the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, we were the largest and fastest growing fully-integrated logistics services player in India by revenue as of Fiscal 2021. We have achieved significant scale and growth, as demonstrated by the below metrics.



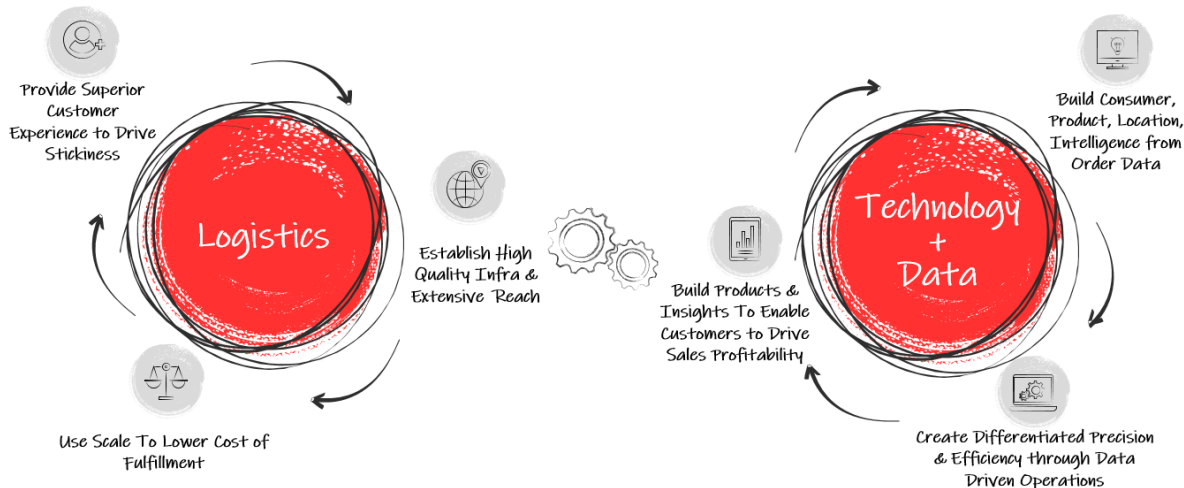
1. For Fiscal 2021.
2. For the period from Fiscal 2019 to Fiscal 2021.
3. As of June 30, 2021.
4. Since inception.
5. Express parcel services market share by e-commerce volumes (including captive players) for the three months ended June 30, 2021, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer.
6. For the three months ended June 30, 2021.
7. For Fiscal 2019, Fiscal 2020 and Fiscal 2021 and the three months ended June 30, 2021.
8. For Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, excluding internal demand for line haul trucks deployed within our network for purposes of our service offerings.
9. Includes permanent employees and contractual manpower as of June 30, 2021, and last mile delivery agents in June 2021.

Our mission is to enable customers to operate flexible, reliable and resilient supply chains at the lowest costs.

We provided supply chain solutions to a diverse base of 21,342 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, in the three months ended June 30, 2021.

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 our self-developed logistics operating system 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 our services and enhance our value proposition to customers.



The key differentiators of our business are:

- **Integrated solutions:** We provide a full range of logistics services, including express parcel delivery, heavy goods delivery, PTL freight, 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:** Our in-house logistics technology stack is built to meet the dynamic needs of modern supply chains. We have over 80 applications through which we provide various services, orchestrated by our platform to govern transaction flows from end to end. Our platform 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:** We collect, structure, store and process vast amounts of transaction and environmental data to guide real-time operational decision making. Since our inception, we have collected participant, product, location and network data for over 1 billion orders along with over 30 billion shipment lifecycle events points. We have 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:** We operated 20 fully and semi-automated sortation centres and 86 gateways across India (excluding Spoton) as of June 30, 2021. We had a Rated Automated Sort Capacity of 3.17 million shipments per day as of June 30, 2021, which we further enhanced to more than 3.98 million shipments per day as of September 30, 2021. We have automated material handling systems at our gateways in Tauru (Haryana), Bhiwandi (Maharashtra) and Bengaluru (Karnataka). This automation, combined with system-directed floor operations, path expectation algorithms and machine-vision guided truck loading systems, together enable our facility staff to be more productive and reduce errors in their operations.
- **Unified Infrastructure and Network:** We operate a pan-India network and provide our services in 17,045 postal index number (“PIN”) codes, as of June 30, 2021. Our logistics platform, data intelligence and

automation enable our network to be seamlessly interoperable and allow us 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:** Our 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 our partner applications. Our systems function as managed marketplaces that match partner capacity with Delhivery internal and third-party client demand based on partners' service quality ratings and pricing. This approach has enabled us to quickly expand to geographically dispersed locations, optimize loads, improve our cost structure and maintain flexibility in handling seasonal variations and changes in client requirements while incurring minimal fixed costs and capital expenditures.
- **Entrepreneurial team:** Our experienced team has driven service excellence and industry-first innovations that have enabled us to gain market leadership in a short span of time. Our 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.

## KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS

The following table provides a snapshot of our key financial and operational performance indicators (excluding Spoton) as of and for the dates indicated.

	2019	As of the end of and for Fiscal Year Ended March 31, 2020	2021	As of and for the three months ended June 30, 2021
PIN code reach	13,485	15,875	16,677	17,045
Infrastructure (in million square feet)	5.96	9.85	12.23	12.42
No. of gateways	73	83	88	86
Rated Automated Sort Capacity (in million parcels/day)	1.58	2.26	2.62	3.17
Number of delivery points	2,258	2,973	3,382	3,501
Team size <sup>(1)</sup>	28,830	40,416	53,086	66,348
No. of Active Customers	4,867	7,957	16,741	21,342
Revenue from contracts with customers (in ₹ million)	16,538.97	27,805.75	36,465.27	13,177.22
Restated loss for the period/year (in ₹ million)	(17,833.04)	(2,689.26)	(4,157.43)	(1,295.80)
Adjusted EBITDA (in ₹ million)	(1,876.44)	(2,531.93)	(2,532.83)	(510.12)

(1) Includes permanent employees and contractual workers as of the last day of the period, as well as last mile delivery agents in the last month of the period.

We acquired Spoton, an express PTL freight service provider in India, in August 2021. The following table provides a snapshot of Spoton's key operational performance indicators as of and for the dates indicated.

	As of the end of and for Fiscal 2021	As of and for the three months ended June 30, 2021
PIN code reach	12,764	12,639
Infrastructure (in million square feet)	2.62	2.73
No. of gateways	38	38
Number of service centres, including partner operated locations	320	333
Team size <sup>(1)</sup>	1,991	1,947
No. of Active Customers	5,234	5,399

(1) Includes permanent employees and contractual workers as of the last day of the period.

## OUR MARKET OPPORTUNITY

As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, the Indian logistics market presents a large addressable opportunity, with direct spends on logistics of US\$216.0 billion in Fiscal 2020 and is expected to grow to approximately US\$365.0 billion by Fiscal 2026 at a CAGR of 9.1%. This growth will be driven by strong underlying economic growth, a favourable regulatory environment, growth of domestic manufacturing, rapid growth of the digital economy and improvements in India's transportation infrastructure.

India also witnesses high indirect logistics spends, estimated at US\$174.0 billion in Fiscal 2020 and expected to marginally decline to US\$166.0 billion by Fiscal 2026, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. These indirect spends are primarily incurred due to inefficiencies such as slow turnaround, high inventory carrying costs and losses due to damages and pilferage. These inefficiencies have arisen due to legacy reasons such as complex tax structures, poor transportation infrastructures and prolonged under-investment in technology, engineering and data capabilities, automation, skilled labour and talent. As a result, the industry has remained fragmented and unorganized, with organized players in the road transportation, warehousing and supply chain services segments having a market share of approximately 3.5% in Fiscal 2020, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer.

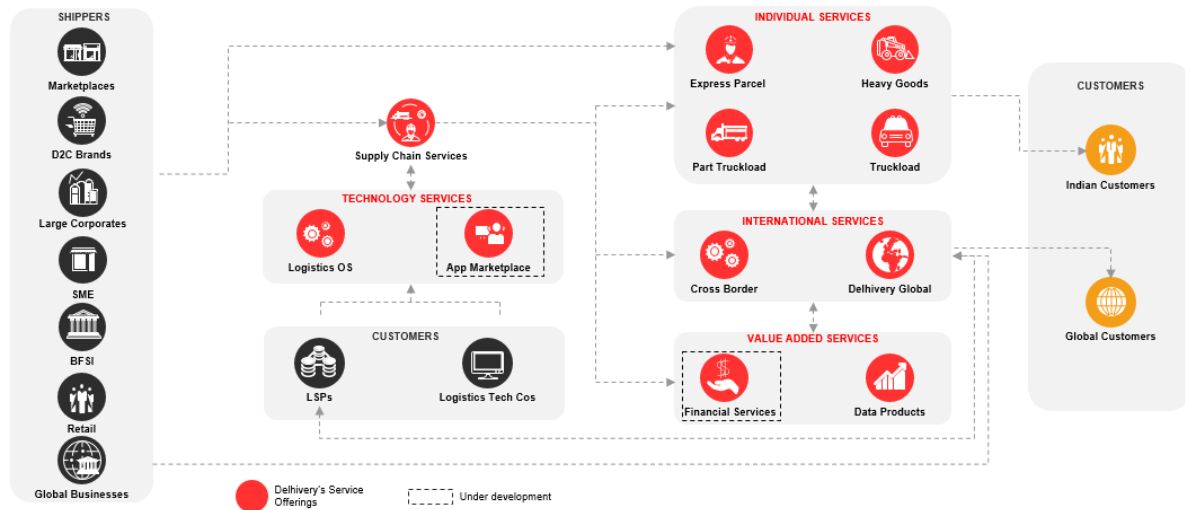
With changes in customer requirements, changes in demand patterns in traditional commerce and the emergence of the internet economy, the demand for flexible and scalable logistics services has become increasingly important. As a result, the share of organized players in the road transportation, warehousing and supply chain services segments is expected to reach 12.5-15.0% in Fiscal 2026, implying a CAGR of approximately 35% between Fiscal 2020 and Fiscal 2026, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. This growth is expected to be driven by the organized players' ability to offer integrated services, network and scale-driven efficiencies and larger investments in technology and engineering.

The segments underlying our largest lines of business, namely express parcel delivery, express PTL and warehousing and supply chain services, are expected to grow faster than the logistics industry and to witness consolidation among organized players. As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, the express parcel delivery segment, which is highly organized, is expected to grow at a CAGR of approximately 28-32% by value to US\$10-12 billion by Fiscal 2026. Organized players are expected to benefit from the continued growth of e-commerce and the emergence of new business models such as D2C, social commerce and eB2B, which rely heavily on 3PL express delivery. As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, the express PTL segment is expected to grow from approximately US\$3 billion in Fiscal 2020 to approximately US\$9.0 billion in Fiscal 2026 at a CAGR of 20% and to witness a significant increase in the share of organized players from approximately 24% to 70% during the same period. As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, the warehousing and supply chain services segment is expected to grow from approximately US\$65.0 billion in Fiscal 2020 to approximately US\$109.0 billion in Fiscal 2026 at a CAGR of 9% and witness consolidation of share by organized players from 2.5% to 12-13% during the same period. Among our other business verticals, the TL market is expected to grow by 7% between Fiscal 2020 and Fiscal 2026 from US\$109.0 billion to US\$163.0 billion, with the market share of organized players to increase from approximately 1% in Fiscal 2020 to more than 3% in Fiscal 2026, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. Similarly, the cross-border air transportation market is expected to grow from US\$5.4 billion in Fiscal 2020 to US\$8.2 billion in Fiscal 2026, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer.

We believe that the combination of our integrated solutions, proprietary logistics operating system, data intelligence capabilities, automation, asset light operations and entrepreneurial team positions us well to address this large market opportunity.

## OUR SERVICES

The integration of our technology platform with our physical network and its operations enables us to provide comprehensive supply chain solutions to a wide range of customers. The following schematic depicts our overall service map:



- **Express Parcel**

As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, we were the largest and fastest growing 3PL express parcel (and heavy parcel) delivery player in India by volume and revenue as of Fiscal 2021 and the three months ended June 30, 2021, with a market share of approximately 20% of the overall e-commerce volumes (including captive players) in India during the three months ended June 30, 2021. We have delivered more than 1 billion shipments since incorporation. Our shipment volume grew from 148.49 million orders in Fiscal 2019 to 289.20 million orders in Fiscal 2021 on an annual basis, representing a CAGR of 40%. In the three months ended June 30, 2021, we delivered 101.69 million shipments. Our customers include e-commerce marketplaces, vertical e-commerce retailers, D2C brands, omni-channel retailers, SMEs, banks and financial institutions. In the three months ended June 30, 2021, 18,600 Active Customers used our express parcel delivery services.

We have increased the capacity of our network as we have scaled our business. Our network is designed to ensure performance under large volume fluctuations that are a routine occurrence in the e-commerce market and during month-end periods in the freight market. This is reflected in our peak daily parcel pick-up volume that has increased from approximately 0.80 million parcels during Fiscal 2019 to 2.14 million parcels in the six months period ended September 30, 2021.

Our express parcel delivery network, which serviced 17,045 PIN codes in the six months ended June 30, 2021, covering 88.3% of the 19,300 PIN codes in India as of June 30, 2021 (per India Post), is capable of handling consignments of up to 10 kilograms with same-day and next-day capabilities and 48-96 hour deliveries for long-distance orders. We also provide value-added services such as reverse logistics for returns with quality inspection and product replacement services. We also provide person-specific deliveries involving delivery to a specified person after validating the person's identity; address-specific deliveries involving delivery to an address specified by the shipper (and not the recipient) and time-specific delivery involving delivery within a time slot provided by the recipient. In addition, we offer cash on delivery and other modes of payment on delivery.

We launched our heavy goods service in 2016, comprising the warehousing and delivery of heavy goods, such as large electronic goods, or white goods, furniture and sports equipment. As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, large appliances, white goods, home and furniture are among the fastest growing categories in e-commerce. This service leverages our existing warehousing capabilities, the reach of our express parcel network and the capacity to handle large goods of our PTL freight service. As a result, we operate the largest network for heavy parcel



(large appliances or white goods, appliances, home and furniture and sports equipment) delivery, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. Our shipment volume has grown by more than six times from 0.85 million shipments in Fiscal 2019 to 5.26 million shipments in Fiscal 2021 on an annual basis. In May 2021, we also launched installation and assembly services for consumer durables and furniture. In the three months ended June 30, 2021, 194 e-commerce, enterprise and D2C Active Customers used our heavy goods services.

We have also launched Delhivery Direct, our C2C shipping service in June 2021, which enables individual consumers to ship parcels from their homes.

- ***PTL Freight***

We launched PTL freight services focused on the B2B express segment in 2016 after achieving significant scale in our express parcel network and establishing a full-fledged surface line-haul network to service its volume. In Fiscal 2021, we delivered 373,854 tonnes of freight, growing at a CAGR of 75% between Fiscal 2019 and Fiscal 2021.

We acquired Spoton in August 2021 to further scale our PTL freight services business. Spoton delivered 758,730 tonnes of freight in Fiscal 2021 and had a network presence across 12,639 PIN codes with 2.73 million sq. ft. of infrastructure as of June 30, 2021. As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, following our acquisition of Spoton, we became the third largest PTL freight player in India in terms of revenue as of Fiscal 2021, with a market share of approximately 8.3% of the organized PTL market in India. Our Company also operated the fastest growing PTL freight service amongst the top 10 PTL service providers in India as of Fiscal 2021, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer.

In keeping with our strategy of unifying our infrastructure and network, our PTL service is designed around shared linehaul operations with the express parcel business. This has enabled us to build larger, automated gateways, operate larger trucks, including tractor-trailers and enhanced capacity utilization in our mid-mile operations. Our shared network allows us to offer e-commerce equivalent turnaround times and direct reach across our entire network to PTL freight customers.

We provide a full suite of freight services including door-to-door and hub-to-hub delivery, time-definite and appointment-based delivery and value-added services such as contactless delivery, electronic proof-of-delivery, transportation of oversize cargo (up to 1 tonne/shipment), reverse pick-ups, invoice value collection and freight collection through cash and digital payment methods.

Together with Spoton, we had over 7,700 Active Customers in the three months ended June 30, 2021 across industries such as consumer durables, auto, lifestyle, fashion, e-commerce, FMCG and retail.

- ***TL Freight***

Our truckload freight brokerage platform, “Orion”, connects shippers with fleet-owners and suppliers of truckload capacity across the country via a centralized bidding and matching engine.

The Orion platform allows shippers and our teams to post their spot and long-term truckload freight requirements. Registered agents and fleet owners can then bid for these jobs via our in-house application, “Axle”. Subsequently, loads are matched to capacity based on price and service quality. All operational and financial processes including job creation, bidding, matching, real-time tracking, document management and financial transactions are managed in real-time on the Orion platform.

In January 2020, we acquired Roadpiper Technologies Private Limited, a digital freight broker with fleet owner, load-matching and pricing applications. This has strengthened our capability to engage with suppliers of truckload capacity.

The Orion platform was first built based on experience with a large amount of internal truckload demand generated by our operations, with more than 9,000 trips on average per month for the period from October 2017 to March 2018. This enabled us to ascertain the platform capabilities and establish a consistent base load.

The Orion platform was opened to external transacting customers in Fiscal 2019. As of Fiscal 2021, we had 449 Active Customers and over 1,850 transportation partners. Since the inception of the platform, more than 69,000 trucks have been registered on the Orion platform and have completed more than 140,000 third-party truck placements, as of June 30, 2021.

- ***Supply Chain Services***

We provide integrated supply chain solutions to e-commerce and corporate customers. Our supply chain solutions combine the strength of our warehousing and transportation operations, infrastructure, network and technology with deep data-science and business intelligence capabilities. This enables us to provide comprehensive and integrated multi-channel order fulfilment solutions that improve the reliability, speed and cost-efficiency of our customers' supply chains. Our solutions are designed to be modular and configurable with the flexibility to choose multiple fulfilment and transportation models and partners.

Our warehousing solutions comprise warehouse management, in-warehouse processing and order fulfilment services that enable customers to optimize inventory management and delivery timelines. Our E2E solutions use system-directed operations to help optimize inventory management, transportation selection, delivery timelines and overall costs. This is driven by our self-developed WMS system "Godam", which supports multi-tenant, multi-channel operations. We also provide integrated transportation services as part of overall order fulfilment, including PTL, TL, cross-border freight, intra-city distribution and express parcel delivery services.

We acquired Primaseller Inc. in February 2021 to enable D2C e-commerce brands and omnichannel retailers to integrate their online and offline channels with our logistics network. This allows us to provide a reliable order-to-delivery promise to end consumers.

As of June 30, 2021, we operated over 5.39 million square ft. of warehousing infrastructure across 71 warehouses, compared to 0.59 million square ft. across 15 warehouses in 2016. In the three months ended June 30, 2021, 139 Active Customers used our supply chain services solutions.

- ***Cross-Border Services***

We began providing door-to-door and port-to-port express parcel services to and from India in 2018 to meet the rising demand for cross-border e-commerce and expanded this offering to include cross-border air-cargo services in late 2019.

Our cross-border operations are powered by our global shipping service, "Starfleet", where we follow a "string of pearls" strategy, integrating global networks and airlines on the same platform, providing a single-window visibility into express and freight global shipping to shippers. "Starfleet" also provides international air cargo services through a mix of charter and block space agreements through partnerships with major airlines on certain trade corridors of India, such as the US, Europe and China.

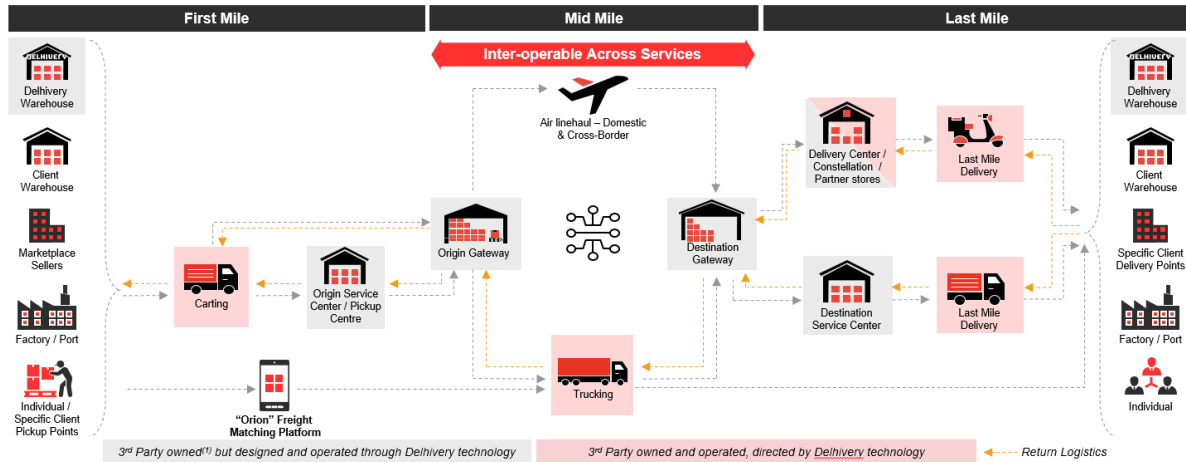
We have established a reciprocal alliance with Aramex and are in the process of establishing a strategic alliance with FedEx, both of whom are global express leaders, for customs clearance, pickup and delivery services. We entered into an alliance with Aramex in March 2019, expanding our coverage in Middle East and North Africa, and providing reciprocal access to Aramex customers to our India network. In July 2021, we executed an agreement to facilitate a strategic alliance with FedEx, targeted principally at expanding our coverage in the North American, European, Australian and Asian markets. This agreement will become effective upon the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval. Further, our domestic partners, SpiceJet Limited (SpiceJet) and Interglobe Aviation Ltd. (Indigo), enable charter and block space cargo and cargo clearance.

Our cross-border service is accessible to all of our existing customers and also via our retail sales network of over 170 retail points. In Fiscal 2021 we had 407 Active Customers availing our cross-border shipping services, transacting over 2,050 tonnes of air freight.

## **NETWORK, INFRASTRUCTURE AND AUTOMATION**

We have built a nation-wide network with presence in every state, servicing 17,045 PIN codes during the six months ended June 30, 2021, or 88.3% of the 19,300 PIN codes in India as of June 30, 2021 (per India Post). Our

network infrastructure includes 124 gateways, 20 automated sort centres, 83 fulfilment centres, 35 collection points, 24 returns processing centres, 249 service centres, 120 intermediate processing centres and 2,235 direct delivery centres as of June 30, 2021, including Spoton's 38 gateways and 145 service centres. Our self-delivery network is augmented by 1,162 partner locations that expand our reach, provide critical flexible capacity and redundancy and Spoton's service centres are augmented by 188 additional locations operated by business associates.



1. Except automation and IT, which is owned by Delhivery

- Gateway and Automated sort centre facilities:**

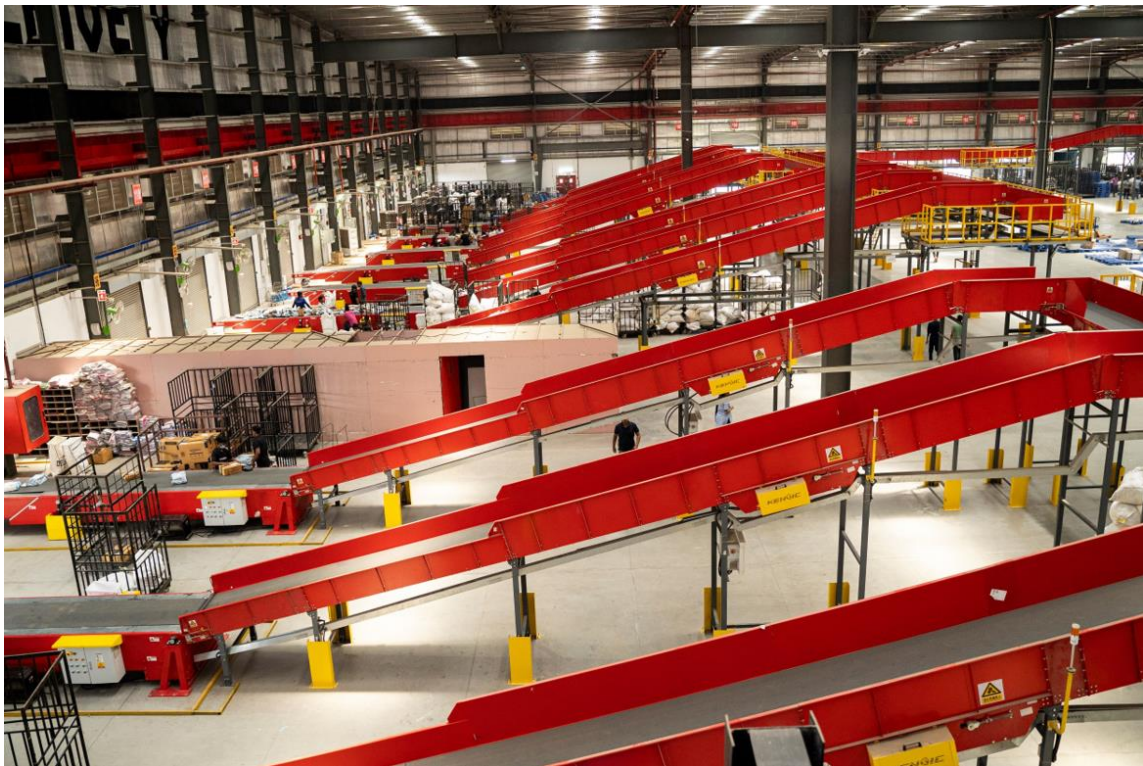
Gateways, which are large logistics facilities that form the core of our network, perform pickup, sortation, consolidation and deconsolidation, dispatch and customs clearance operations. Gateways can simultaneously handle all product categories - express parcel, cross-border express and freight, heavy goods and PTL freight.

All our gateways are connected to each other in a dynamic mesh network via line-haul transportation, unlike traditional hub-and-spoke models. They also connect directly to intermediate processing centres, service centres or delivery centres in real-time, guided by our network algorithms, based on volume and service time considerations. While this design for speed increases our sortation complexity relative to traditional logistics models, our large investments in automated shipment sorting, system-directed operations and routing algorithms along with our large base volume, enable us to achieve the speed objective while ensuring cost-efficiency, reliability and operational quality.

As of June 30, 2021, 20 of our gateways were equipped with 24 automated parcel sorters having a rated sort capacity of 3.17 million shipments per day to increase operational throughput and improve quality of handling. We further increased our Rated Automated Sort Capacity and as of September 30, 2021, 21 of our gateways were equipped with 27 automated parcel sorters having a Rated Automated Sort Capacity of 3.98 million shipments per day. Four of our largest gateways had automated material handling systems to increase operational throughput and improve quality of handling. These automated material handling systems provide throughput ranging from 3,000 to 32,000 shipments per hour.



*Aerial View of the Tauru Gateway (Haryana)*



*Feeder lines between trucks and sorter*





*Multi-level sorter*



*Shipment Chutes*

- **Fulfilment centres (“FC”):**

As of June 30, 2021, we operated 83 fulfilment centres with an aggregate floor area of 5.52 million square feet, including 12 fulfilment centres of Spoton with an aggregate floor area of 0.13 million square feet. Our fulfilment centres are capable of multi-client, multi-channel operations, and of servicing B2C and B2B inventory management and order fulfilment requirements. Our fulfilment centres are located in strategic supply and consumption clusters to enable customers to place inventory closer to their end consumers and reduce overall order fulfilment timelines. Several FCs are also co-located and operationally integrated with our gateways, further enhancing delivery speed and reducing overall fulfilment costs.





*Bhorakalan FC (Haryana)*



*Luhari FC (Haryana)*

- **Intermediate processing centres:**

We operated 120 intermediate processing centers, as of June 30, 2021, to receive consolidated loads from gateways for a set of delivery centers mapped to them. These facilities increase our ability to use larger line-haul vehicles, reduce sortation complexity and act as load-stabilizers in our network by performing simpler

sortation operations for delivery centres and distributing these loads multiple times a day.

- **Service centres and delivery centres:**

Service centres and delivery centres perform last-mile delivery of consignments and pickup operations from their catchment areas. Parcels weighing less than 10kg are picked up and delivered by delivery centres while PTL loads and heavier parcels are picked up and delivered through our service centres.

As of June 30, 2021, we operated 3,397 delivery centres and 249 service centres, including 145 service centres belonging to Spoton. Spoton's service centres are augmented by 188 additional locations operated by business associates. 2,235 of our delivery centres are self-operated while 1,162 are operated by partners through our "Constellation" program. In addition, direct delivery centres are further augmented by a network of 3,685 partner stores who provide us with flexible delivery capacity in their catchment areas.

- **Returns processing centres:**

We operate 24 dedicated facilities to process e-commerce sale returns to customer warehouses as of June 30, 2021. These centres are either co-located with Gateway facilities or are stand-alone facilities in locations with a high density of e-commerce sellers and warehouses.

- **Fleet:**

A majority of our line-haul and intra-city distribution requirements are met through partner fleet owners and suppliers of truckload capacity via our middle-mile systems and Orion platform. We also operate an owned fleet of heavy trucks and tractor-trailers which are employed in our linehaul network. We have designed and introduced customized trailer containers for use in our line-haul. These assets enable us to drive up efficiency by increasing the utilisation of the tractors and their crew and also reduce storage space in gateways by utilising the trailers for storage. This fleet enables us to introduce new capabilities such as trailer management, establish real-time benchmarks for truck utilisation and costs across seasons and geographies, and set standards for on-time performance.



*Our Fleet*

The following table from the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, provides a comparison of our business model as compared to those of traditional 3PL players in India.



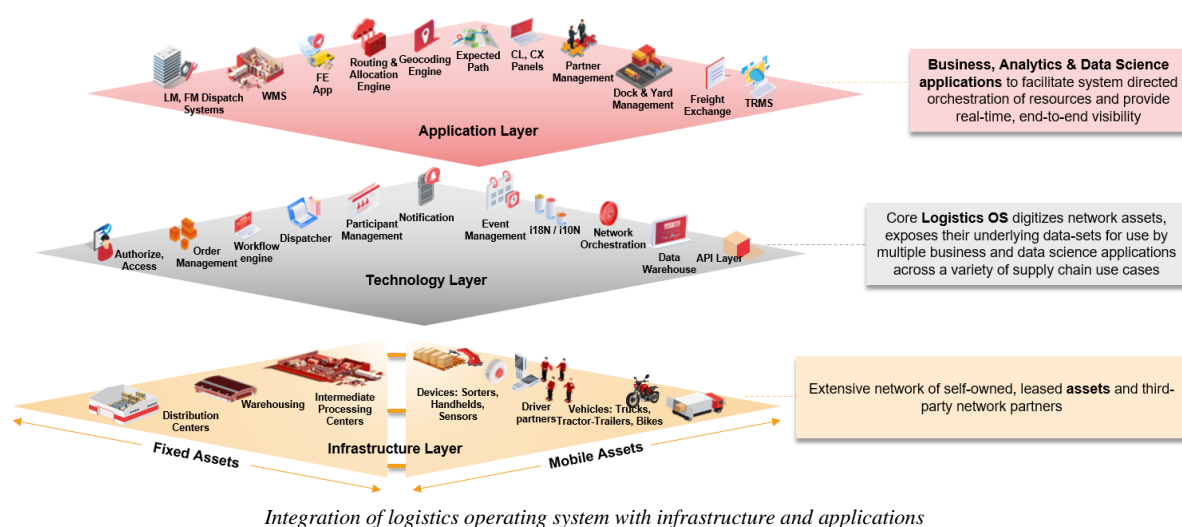
	Traditional 3PL	Delhivery
Typical Network Design	Hub-spoke	Mesh network
Typical Nature of Asset Holdings	Asset-light; mainly partner operated assets	Asset-light; leased infrastructure and fleet, selective ownership of strategic technology assets
Automation	Low automation; mainly manual operations	High degree of automation with full control over the value chain

Note(s): (1) Asset light is defined as a business model with low ownership of physical assets (2). Degree of automation is defined as the intensity of reduction in manual processes using technology to perform iterative tasks.

Source(s): RedSeer Research, RedSeer Analysis

## OUR TECHNOLOGY CAPABILITIES

Our logistics operating system is at the heart of our integrated solutions. The integration of our physical operations and infrastructure with our technology systems enables us to develop customized solutions and respond quickly to our customers' evolving business needs.



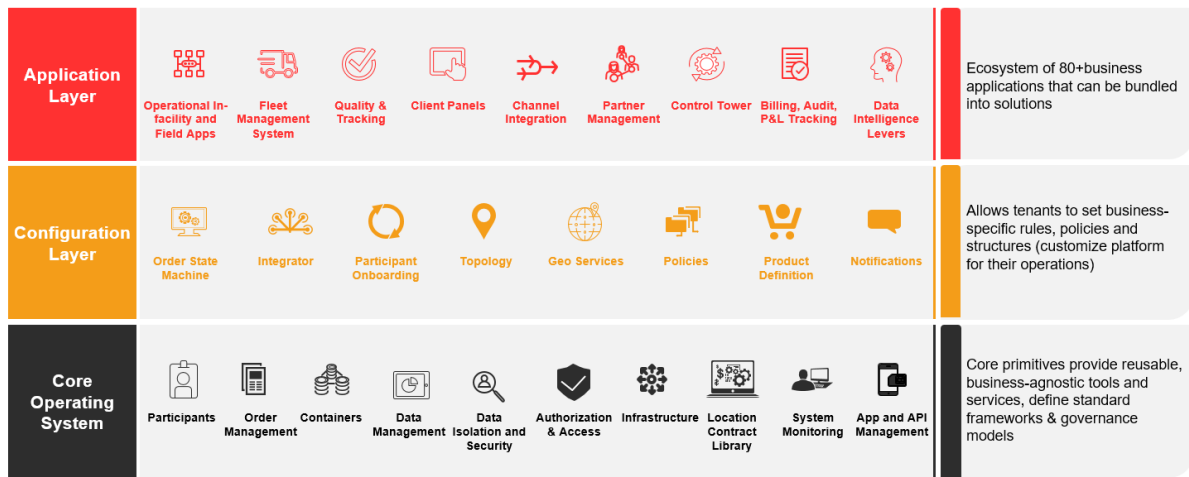
We use over 80 applications which are self-developed and enhanced with data intelligence, to provide various services. These applications and services assist, guide and direct our customers, operations teams, partners and network assets. They aid in demand forecasting, network design, tracking and real-time optimization and decision support.

We had an engineering, data sciences and product team of 474 professionals as of June 30, 2021. We believe that our logistics operating system led by an experienced team are key advantages that differentiate us from other, traditional logistics companies.

### Our Technology Architecture

Our technology platform has a layered system architecture comprising the core operating system (“**CoreOS**”), a configuration layer and an application layer. We have made significant investments in developing tools and API end-points, not only for our operators but also for our customers and partners, allowing development of bespoke applications with complete control. In addition, our distributed architecture enables us to scale rapidly and provides flexibility with multiple teams working independently on various services for faster deployment. A schematic of our architecture is depicted below:





Our technology architecture

**CoreOS:** CoreOS provides reusable, business-agnostic tools and services that define standards and data governance frameworks for logistics. This layer provides foundational and security components and standardizes the exchange of data between services. It is designed with a data first architecture and jurisdiction, enabling user-level restrictions on data access, coupled with requisite security and infrastructure controls which ensure data privacy and security.

**Configuration layer:** This consists of dynamic frameworks that enable rules, policies and structures based on business specific, geography specific and customer specific requirements. It facilitates creation and configuration of custom rules and operational workflows that enable interoperability of the same underlying network assets and infrastructure across a variety of supply chain use cases.

**Application layer:** This layer consists of purpose-built business applications and services developed by our in-house product, technology and data teams as well as third party developer partners. These applications and services are, in turn, bundled into solutions serving a variety of supply chain use cases.

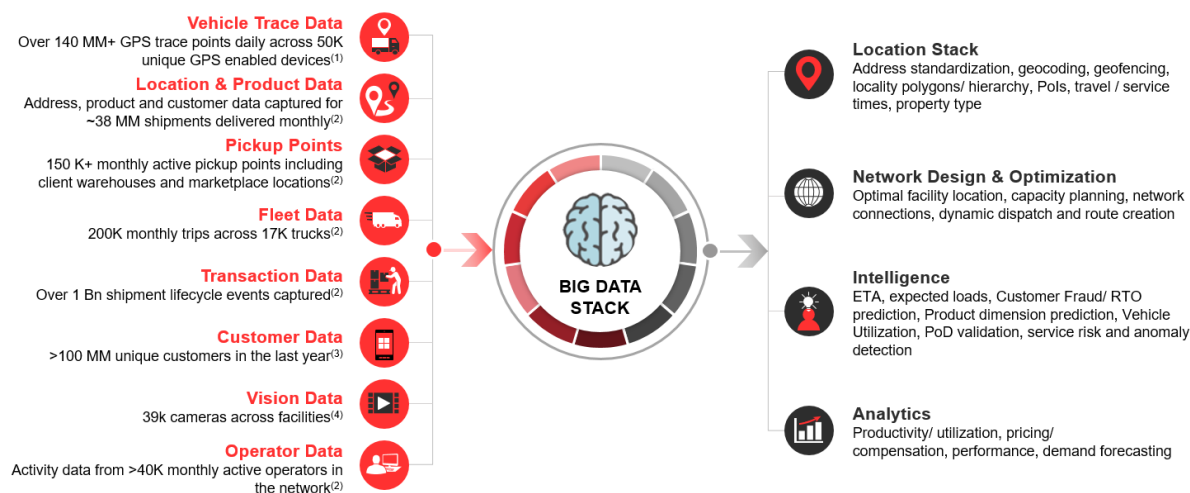
We have over 80 applications through which we provide various services, which connect all of our operators, infrastructure, partners and network assets, orchestrated through our logistics platform. The end-points that connect all of these ecosystem participants include web and mobile applications for our operators, customer ERP systems and a variety of connected assets such as mobile devices, vehicles, cameras, sortation systems and material handling equipment.

For details of our operational and customer facing applications, see “—Our Technology Applications” on page 176.

### Data Intelligence

The vast amount of transaction data that we collect, enrich, process and analyze is one of our key differentiators. Transaction data is collected via handheld devices in facilities, field mobile devices, IoT devices on vehicles, automated systems like sorters, X-ray machines and material handling equipment, CCTV cameras and web applications. This data is enriched with other environmental data such as traffic and weather information, contextualized with historical trends and fed into proprietary algorithms that use machine learning and big data analytics to derive insights that help us automate and optimize critical business decisions in real-time. Our machine learning models continuously learn from on ground actions by ingesting live data from our operations and upgrading their predictions and recommendations.

A schematic of our big data stack is depicted below:



Our big data stack

- (1) Daily average for June 2021
- (2) For June 2021
- (3) For July 2020 to June 2021
- (4) As of September 2021

We have also invested in packaging our data insights into technology products that are suitable for external use by our customers and partners, in India and globally. Some of the key areas that we are focusing on include the location stack, product intelligence tools, capacity planning systems, network design tools, routing and optimization tools in the mid-mile, parcel routing tools in the last mile and inventory placement systems at fulfilment centres. For further details of our data applications, see “—Data Applications” on page 181.

## OUR COMPETITIVE STRENGTHS

### *Rapid growth, extensive scale and improvement in unit economics*

We were the largest integrated and fastest growing fully integrated logistics services player in India by revenue as of Fiscal 2021, according to the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. Our revenue from contracts with customers has grown from ₹16,538.97 million in Fiscal 2019 to ₹36,465.27 million in Fiscal 2021, or a CAGR of 48.49%.

In Fiscal 2021, we fulfilled over 289.20 million express parcel orders, carried 373,854 tonnes of PTL freight, processed 47.37 million orders through our fulfilment centers and completed more than 46,878 truckload movements. We have achieved this substantial scale in just 10 years since we began operations. In August 2021, we acquired Spoton which delivered 758,730 tonnes of PTL freight in Fiscal 2021. Following our acquisition of Spoton, we became the third largest PTL freight player in India in terms of revenue as of Fiscal 2021, with a market share of approximately 8.3% of the organized PTL market in India, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer.

Our network structure, quality of engineering and technology and data intelligence capabilities have helped us establish scale in all of our business lines and ensure synergies across them. This has driven higher network utilization, resulting in cost efficiencies, while maintaining service speed and reliability. Our ability to build mono-line scale and exploit cross-line synergies allows us to pass efficiency gains to our customers, reducing their supply chain costs and also allowing customers to benefit from each other through our platform. This has improved our customer retention and profitability.

### *Our proprietary logistics operating system*

Our team of 474 engineering, data sciences and product professionals, as on June 30, 2021, has built proprietary technology systems that enable us to offer integrated logistics services to a wide variety of customers. Our technology stack consists of more than 80 applications that encompass all supply chain processes including order management, warehouse management, transportation management, financial transactions such as billing and remittance, tracking and supply chain analytics, and that integrate with our customers’ systems.

Our robust, scalable and service-agnostic architecture enables us to:

- Configure new workflows, define rules and business logic in applications, facilitating rapid launch of new service offerings (e.g., repurposing e-commerce parcel applications to support BFSI).
- Support interoperability with any physical or software services in a plug-and-play manner (e.g., easily onboard any sortation systems, handheld devices or new hardware, independent of underlying firmware).
- Enable partners like franchisees, retail partners and delivery agents to onboard their physical assets and resources on our platform, allowing us to seamlessly scale network capacity up or down.
- Drive cross-utilisation of resources and assets across business lines to improve service quality and reduce costs (e.g., sharing mid-mile operations between our parcel and PTL freight operations).
- Launch and scale complex, integrated products like Fulfilled by Delhivery (FBD) - an E2E fast- fulfilment offering targeted at D2C e-commerce companies and brands.
- Collect and analyse data from all our applications, allowing us to build visibility tools and provide near real-time data decision support systems to our operational teams.
- Make operations precise with real time tracking, and more efficient with data insights on operations.

### ***Vast data intelligence capabilities***

We collect, store, process, structure and analyze vast quantities of transaction data such as location data, product information, shipper and consignee information, data from operational facilities, activities and devices, performance data for our field teams, data on traffic and weather from several internal and environmental sources. As we have expanded operations and business lines, we have grown access to new sources of data and, simultaneously, our ability to draw insights from these data. This is one of our most valuable assets.

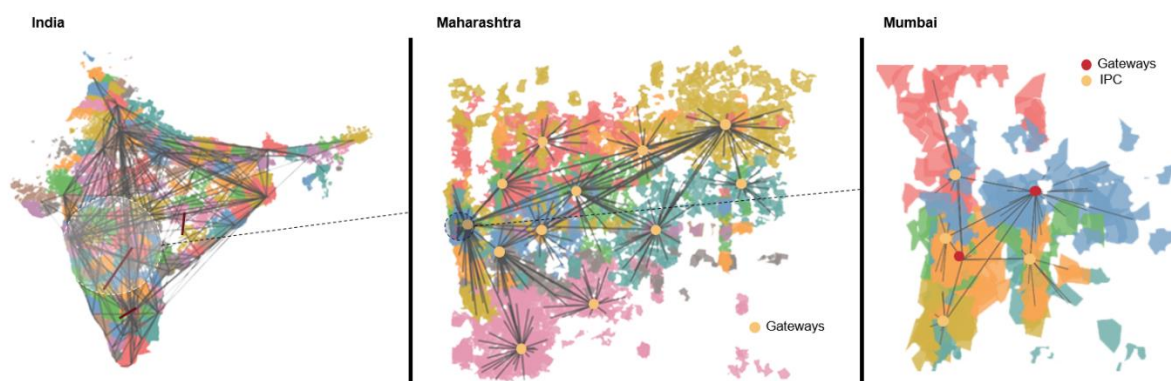
We use machine learning, artificial intelligence and operations research to build institutional intelligence, automation and dynamic optimization capabilities that enable us to solve several complex operational problems, some of which are described below.

- Expected path algorithms dynamically modify shipment routes to maximize trip utilization while simultaneously ensuring prioritized loading of shipments vulnerable to service breaches.
- Network simulation tools enable forecasting of service and cost impact of changes due to new network routes or changes in capacities of existing routes.
- Our automated network planner constantly alerts our network and operations teams to alter the network structure in response to changing demand patterns.
- We are able to forecast delays and expected loads across our network, allowing our control tower teams to deploy service recovery interventions.
- Location intelligence has allowed us to bypass unstructured addresses and unpredictable travel/service times.
- We identify potential fraud and high-risk orders based on shipper and consignee information collected on over a billion delivered orders.
- Product intelligence tools enable us to identify items like air-restricted or HAZMAT goods, select appropriate delivery vehicles and reduce revenue loss through weight and volume predictions.
- We use machine-vision to provide inputs to our gateway teams to improve the quality of loading of trucks and overall truck utilization levels.

In 2020, these capabilities enabled us to activate over 8,300 PIN codes within 10 days of the nation-wide COVID-19 lockdown and re-establish operations across our network by enabling us to identify essential goods and containment zones from unstructured lists published by local, state and national authorities.

### ***Our network design and engineering***

Our network operates as a dense, dynamic mesh, making it efficient, fast and agile in responding to changes in volumes, shipment profiles and environmental conditions. The mesh structure allows us to reduce overall touchpoints in the journey of shipments through the network, reducing handling and improving precision, while also allowing us to utilize multiple feasible trans-shipment paths in periods of volatility.



*Our mesh network illustration – not a depiction of the map*

In addition, our facilities, systems and processes are engineered for high throughput operations. As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, amongst independent e-commerce focused logistics players, we have made the highest investments in technology and automation (in warehouse and sortation centers) and have built the largest technology team of engineers, developers and data scientists. We have designed and developed in-house capabilities in hardware design (for example, in packaging), automation and integration for shipment sortation, box/bag sortation, and weighing and dimensioning. These automated systems are fully integrated with our logistics operating system, thereby reducing human intervention.

A high degree of in-facility automation and shorter trunk routes in the last mile, due to our dense mesh network, also creates a work environment wherein our operational staff is placed under reduced physical and decision-making stress while improving productivity and earnings. This significantly contributes to the health, safety and wellness of our employees.

#### ***Our integrated portfolio of logistics services***

We were the largest and fastest growing fully-integrated logistics services player in India by revenue as of Fiscal 2021, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. Our aim is to meet our customers' requirements for overall, rather than mono-line, supply chain reliability and efficiency. We provide a full-range of logistics services, including express parcel delivery, heavy goods delivery, PTL freight, 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. We believe this will lead to a higher share of wallet and customer retention.

In addition, the integrated approach allows us to exploit network and infrastructure synergies, reduces our dependence on any single business line and also reduces the effect of cyclicity in our customers' businesses on our operations. For instance, our express parcel business sees festival and sale-driven volatility that is offset by our part-truckload business. This ultimately leads to lower costs and greater reliability due to our ability to operate with higher fixed capacities, balance network inefficiencies (like PTL or truckload backhaul) and share infrastructure and operational costs across business lines.

#### ***Strong relationships with a diverse customer base***

We served a diverse base of 21,342 Active Customers across e-commerce, consumer durables, electronics, lifestyle, FMCG, industrial goods, automotives, healthcare and retail, in the three months ended June 30, 2021. As of June 30, 2021, this customer base included most of the key e-commerce players in India and over 675 D2C brands. In addition, Spoton offers PTL freight services to 5,392 Active Customers across industry verticals. Several of our customers use more than one of our service offerings, with over 55% of our revenue for the three months ended June 30, 2021 coming from customers who had used at least two of our services.

Our service quality, reach and efficiency, coupled with deep integration with customers' ERP systems and business processes have led to customer stickiness. In the first quarter of Fiscal 2022, over 64% of our revenues were from customers who have been transacting with us for over three years. Our customers have also steadily increased the volume of business they undertake with us over time.

### ***Extensive ecosystem of partners, enabling an asset-light business model and extended reach***

We have built an asset-light business model that has enabled us to scale up volumes rapidly, with lower fixed costs and greater flexibility. While we design, operate and control our most critical network nodes (fulfilment centers and gateways), partners play a significant role in all our other operations - pickup, mid-mile (trucking and air) and last-mile delivery. This enables us to maintain control over operational quality metrics and improve overall network performance.

We lease our network infrastructure and a majority of the vehicles operating in our network. As of June 30, 2021, excluding Spoton, we operated over 12.42 million square ft. of leased infrastructure and partnered with over 6,000 vendors and network partners who provide pickup, delivery services and truckload capacity. Our network partners are supported by our technology systems, empowering them to grow their business by offering multiple Delhivery services in their catchment areas. For example, last mile delivery agents in our *Constellation* program are also able to extend our last mile reach, capitalize on their local knowledge and autonomously offer express parcel, part-truckload freight and cross-border express and freight services to SME and retail customers in their catchment areas, backed by our full nationwide network, service precision and cost efficiency.

Our ability to develop mutually beneficial partnerships with large international players such as Aramex has enabled us to further expand our reach outside India by leveraging their global networks without having to incur additional fixed costs. We have also executed an agreement to enter into a strategic alliance with FedEx, which shall become effective upon the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval.

### ***Highly qualified, professional team***

Our biggest competitive advantage is, ultimately, our experienced and entrepreneurial team.

Our teams are composed of people from diverse backgrounds who bring perspective from industries like global logistics, technology services, financial services, management consulting, e-commerce, FMCG, telecommunications and armed forces. We have also invested significantly in training and upskilling front-line operations personnel via the Delhivery Academy, with the aim of building our next generation of operational leadership from within the line organization. These teams have introduced and delivered a continuous stream of technology and operational innovations since our inception and built the “Delhivery” culture of first-principles thinking, innovation, ownership, customer centricity and community responsibility. We also aim to foster a culture of ownership through our ESOP program.

## **OUR STRATEGY**

### ***Expand investments in infrastructure and network***

We will continue to expand our operational capabilities and expand network infrastructure and capacity across business lines. We have commissioned mega-gateways that will go live in Tauru (Haryana), Bhiwandi (Maharashtra) and Bengaluru (Karnataka). We expect to build new integrated facilities and mega-gateways in major cities, further expand capacity at existing automated sort centers, commission new sorters at strategic locations and invest in portable automation to enhance capacity at collection and return centers and intermediate processing centers. We will also continue to expand our network of fulfilment centers and in-city micro-fulfilment centers to expand our “Fulfilled by Delhivery” and “Delhivery Flash” offerings to vertical e-commerce, D2C and brand customers.

### ***Continue to build scale in existing business lines***

We intend to continue to invest to gain scale and increase market share across business lines. We are in the process of integrating the Spoton and Delhivery infrastructure and technology systems, in order to enable us to deepen synergies between our part truckload and express parcel businesses, while also creating larger base volumes for our truckload freight exchange. This will allow us to further expand critical infrastructure nodes and further expand tractor-trailer operations and truck utilization across our network. We also expect to continue to improve operational productivity through automation and technology systems.

In addition, partnerships such as the one with Aramex and our prospective strategic alliance with FedEx (which would come into effect upon the fulfilment of certain closing conditions, including receipt of the requisite regulatory approvals) offer us the opportunity to combine the strength of our global partners’ extensive network

with our domestic leadership and rapidly scale up our new cross border business.

As these initiatives deliver cost savings, in keeping with our overall aim of reducing our customers' total supply chain spending, we will continue to pass on efficiency gains to our partners and customers, which in turn will help us increase share of wallet and volumes, leading to further cost savings.

### ***Deepen our customer relationships***

We will continue to expand wallet share with existing customers by designing customized and integrated supply chain solutions for their specific needs and industries and introducing practices from our experiences with other customers. For example, we have successfully introduced good quality packaging and handling guidelines designed for certain customers into our manufacturing customers' supply chains. Similarly, we have enabled certain auto spare parts manufacturers to mimic e-commerce like delivery times through distributed order fulfilment.

In addition, we intend to increase our penetration of new industries like healthcare, distribution, agriculture and commodities, among others. Acquisition of Spoton has further expanded our customer base. We will also intend to launch new services and capabilities such as traditional non-express PTL freight, domestic air-freight, intra-city distribution, and temperature-controlled logistics to expand our value proposition to existing and new customers.

### ***Enhance our technology (software and hardware) capabilities***

We will continue to reinforce our innovation capabilities by building innovative technology and data systems and investing in the best engineering talent.

We will also continue to develop and deploy future-ready hardware solutions in our operations. We are in the process of deploying automatic guided vehicles, automatic storage and retrieval systems and unmanned aerial vehicles for parcel sortation, material conveyance or last mile delivery, and customized "soft robotics" or "exoskeleton" products to reduce fatigue for workers engaged in repetitive, labour-intensive tasks such as loading and unloading. We have also begun to transition more of our cargo and two-wheeler fleet to electric vehicles. In addition, we are also testing UAV operations for specialized delivery use-cases and scaling up our capabilities in machine vision.

We will also continue to expand our collaboration with renowned research institutions to develop new hardware and systems, and also invest in growing our team of experienced professionals including software and hardware engineers, data scientists, machine learning engineers, machine vision domain experts, product managers and product designers. We have set up technology development centres in Gurugram (Haryana), Hyderabad (Telangana), Goa and Bengaluru (Karnataka) and intend to add new centers in India, as well as in Europe, Middle East and Southeast Asia.

### ***Externalise our logistics operating system***

Our logistics OS has enabled us to set up an interoperable and flexible network by establishing common standards for data governance and information exchange, and allowing multiple product teams to create generic, as well as custom/ purpose-built applications across our various business lines. It has also facilitated machine learning and artificial intelligence driven real-time business decision making in our day-to-day operations.

We believe that the common standards and guidelines enabled by our OS drive efficiency within the Delhivery network and can also reduce high inefficiency costs across traditional siloed supply chain and logistics systems globally. In addition, the ease of use of the underlying logistics OS can be leveraged by new players to create customized applications and participate in the supply chain markets of the future without having to make significant technology investments.

To this end, we intend to externalize our logistics operating system as a platform and as a SaaS offering by enabling other logistics service provider, logistics-tech companies, and enterprise and developer partners, in India and globally, by:

- Providing configurable modules and applications as plug-and-play software 'solutions', serving a variety of supply-chain use cases; and
- Enabling our customers to build their own applications on top of the underlying OS layer.

### ***Create new adjacent growth vectors***

We will continue to develop large, new growth adjacencies that enhance our interlocking flywheel strategy, leveraging on our operational scale, rapid growth, large ecosystem of engaged partners, network design, sophisticated technology systems and access to vast amounts of data. For example, our ability to collect, structure and analyse transaction data gives us a unique advantage in terms of assessing credit risk of various parties in the supply chain. Additionally, we plan to offer value added services, such as highway assistance and routing and tracking software for fleet owners and suppliers of truckload capacity. Similarly, we have the ability to combine our fulfilment, logistics and payments processing expertise to simplify distribution for our customers in the FMCG and retail verticals.

### ***Expand into high-growth international markets similar to India***

Several emerging markets share operational and structural market challenges that are similar enough to India to benefit from our set of technology and network optimization tools. In Fiscal 2021, we successfully introduced part of our fulfilment and transportation technology stack in Bangladesh and Sri Lanka, in collaboration with local partners. We will continue to expand our presence in other such international markets selectively and through capital-efficient, partnership-driven models.

### ***Pursue strategic alliances and select acquisition and investment opportunities***

We will seek strategic alliances with global and domestic leaders in various segments of the logistics industry that bring synergies to our business. We will also 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, valuable capabilities for our customers, strengthen or establish our presence in our target markets in India and globally, enable us to gain access to software and hardware technology, expand our customer base or gain excess to a skilled team.

## **OUR TECHNOLOGY APPLICATIONS**

### ***Operational Applications***

Our key applications are summarized below.

- **Transportation Management System (“TMS”)**

TMS orchestrates and tracks shipment and asset movement in real-time across our entire network, including partner operations. The TMS order management system identifies relevant order information provided by shippers and leverages our proprietary network design and resource allocation tools to identify the optimal path for each shipment basis parameters such as size/ weight, mode of transport, speed and custom workflows. It also facilitates easy integration and data exchange with customers and our own ancillary systems for billing and cash management. As of June 30, 2021, the TMS supports over 35 million shipment lifecycle events per day and collects over 140 million GPS trace points per day and its distributed infrastructure supports over 350 API endpoints.

- **Mid-mile System**

This system orchestrates in-facility activities such as sortation, consolidation, de-consolidation, loading/unloading, trans-shipment, line-haul schedule management, tracking and provides detailed traceability of shipments moving through these facilities. In addition, it coordinates real-time capacity planning, activity tracking of in-facility processes and performance monitoring of individual agents. These systems are also integrated with our automated sortation systems, material handling systems and a suite of mobile applications that provide detailed instructions to our operations teams for performance of all in-facility activities.

- **Last Mile and Dispatch System**

Our last-mile and dispatch systems orchestrate in-facility activities at our own and partner last mile service centres.

Operators can receive goods, sort them into system determined or manually determined routes, dispatch

consignments via our network or third-party agents, track field statuses of dispatched parcels, collect pickup and return orders and manage cash through these systems. Field staff (first-party and third-party delivery agents) have access to our dispatch application through which they can plan, create and manage their delivery routes, receive guidance to consignee addresses, communicate with consignees while on their delivery route and view their performance and earnings. Station managers can also access automated station-level and agent-level performance scorecards and configurable reports about future loads and capacity requirements for forward planning.

- **Fleet Management System (“FMS”)**

For the three months ended June 30, 2021, our FMS enabled over 370 fleet owners and suppliers of fleet capacity, including our self-owned fleet, to register their assets (over 24,000 vehicles) with us, enter into fleet contracts, track their service metrics (quality, usage and earnings) against those contracts and manage claims and disputes.

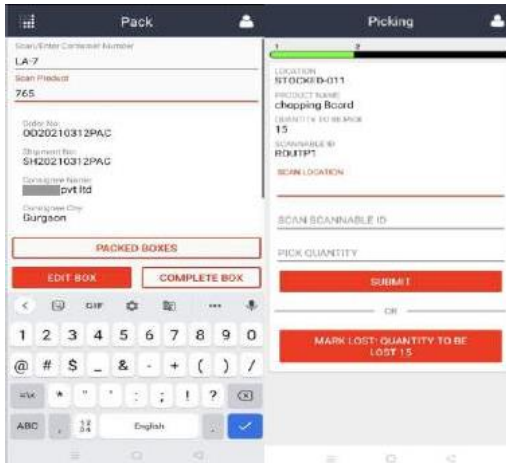
- **Warehouse Management System**

“Godam”, our proprietary WMS, manages order fulfilment operations across multiple online and offline channels and selects and orchestrates transportation services for these orders (truckload, PTL, intra-city distribution, express parcel, heavy goods delivery, etc). Our WMS is integrated with major Indian and international marketplaces through Primaseller, and with Delhivery transportation services and multiple external logistics providers, enabling us to provide our customers with the highest quality and lowest cost services at all times. In addition, Godam is designed as a multi-location, multi-tenant 3PL WMS, enabling global inventory visibility and control and real-time optimization of inventory placement, order allocation and order aggregation for our customers.

PRODUCT DLV SKU	SOURCE ID	FROM BUCKET	TO BUCKET	FROM CONTAINER	TO CONTAINER	DELTA	PRIME QTY	LOCKED PRIME QTY	CREATED AT	ACTION
642133	1482607	PRIME	PRIME	FDBFC1.INV.D4.L0.R02.05.B	FDBFC1.OUT.583	-6	172	1	Sep 09 2021 4:48 PM	OUTBOUND
642133	1482883	PRIME	PRIME	FDBFC1.INV.D4.L0.R02.05.B	FDBFC1.OUT.817	-3	178	7	Sep 09 2021 2:02 PM	OUTBOUND
642133	1482474	PRIME	PRIME	FDBFC1.INV.D4.L0.R02.05.B	FDBFC1.OUT.547	-3	181	10	Sep 09 2021 11:57 AM	OUTBOUND
642133	1482210	PRIME	PRIME	FDBFC1.INV.D4.L0.R03.05.B	FDBFC1.OUT.210	-2	184	13	Sep 09 2021 11:05 AM	OUTBOUND
642133	1482210	PRIME	PRIME	FDBFC1.INV.D4.L1.R03.05.B	FDBFC1.OUT.210	-1	186	15	Sep 09 2021 11:03 AM	OUTBOUND
642133	1482232	PRIME	PRIME	FDBFC1.INV.D4.L0.R02.05.B	FDBFC1.OUT.232	-5	187	16	Sep 09 2021 10:37 AM	OUTBOUND
642133	1482232	PRIME	PRIME	FDBFC1.INV.D4.L0.R03.05.B	FDBFC1.OUT.232	-1	192	21	Sep 09 2021 10:36 AM	OUTBOUND

‘Godam’ - Order List

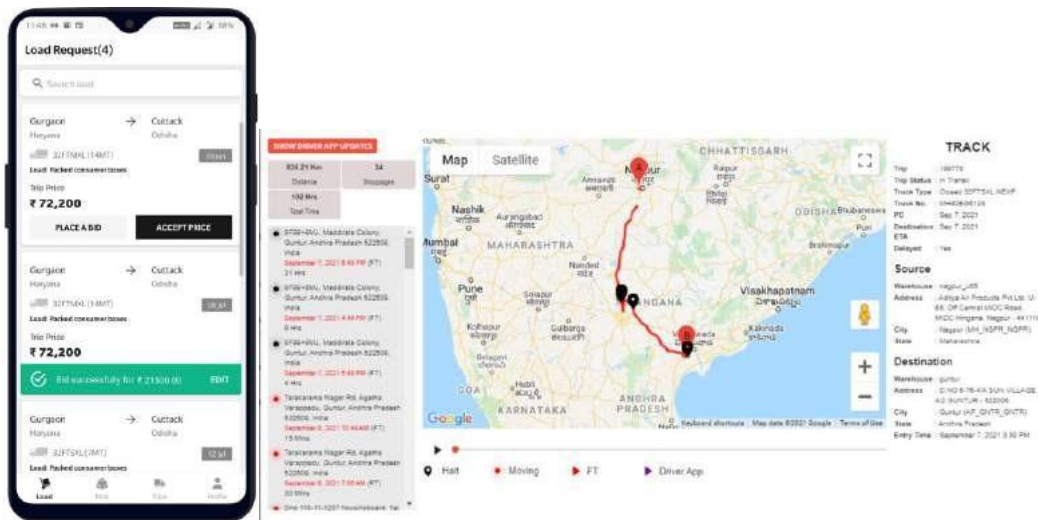




'Godam' app - Pack and picking

- **Orion: Truckload Freight Brokerage**

"Orion", our truckload freight brokerage platform, matches demand from shippers with suppliers of truckload capacity in real-time. There are 3 components to the *Orion* system: (1) the freight matching engine that matches demand and supply based on price and service quality, via a reverse-bidding process through our "Axle" application, while also functioning as a financial and operational ledger for our partners; (2) operational modules that track execution of contracted truckloads, including matching, real-time tracking, delivery and proof of delivery; and (3) the transaction management system that is deeply integrated with the operational modules and manages financial aspects of all transactions.



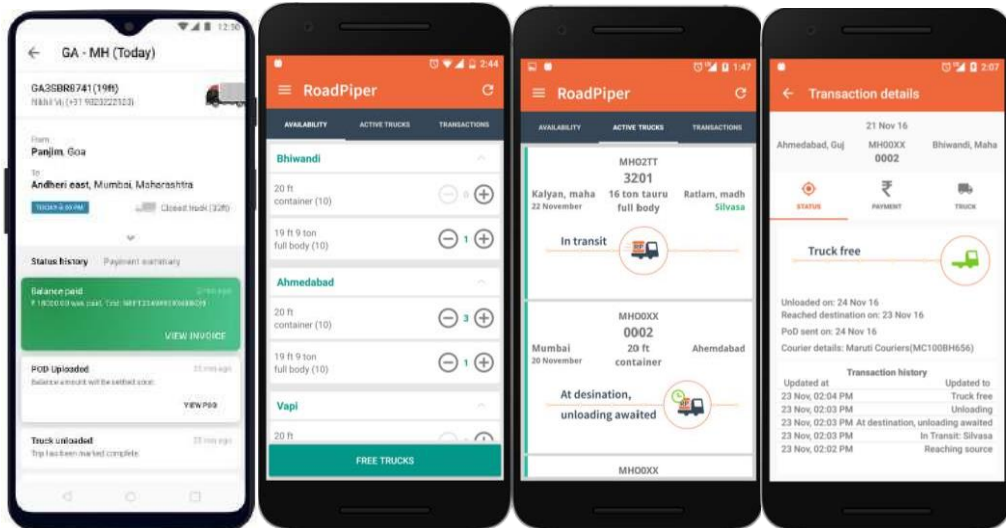
'Axle' - bidding page Orion - tracking of contracted trip

### Customer and Partner facing Applications

- **Partner Management Toolkit**

The Partner Management Toolkit enables registration, onboarding and management of third-party agents such as franchisees, business partners and delivery agents. Partners gain access to our operational and customer-facing applications through the partner web portal, along with real-time visibility of their service contracts, operational performance and earnings.

Our "Axle" and "Roadpiper" mobile applications provide real-time order visibility to truckload partners, allow them to bid and win contracts and also manage their financial transactions related to the platform. These applications also assist partners to improve their win rates through support features like price guidance and advance sharing of truck availability.



'Axle' and 'RoadPiper' applications

- **Customer Portals**

We provide customers with web-based customer portals to register, self-onboard and manage their fulfilment and shipping accounts with us. Customers perform all key tasks such as order creation, pickup slot booking, order tracking, escalation management, billing, cash remittance and claims management through these portals.

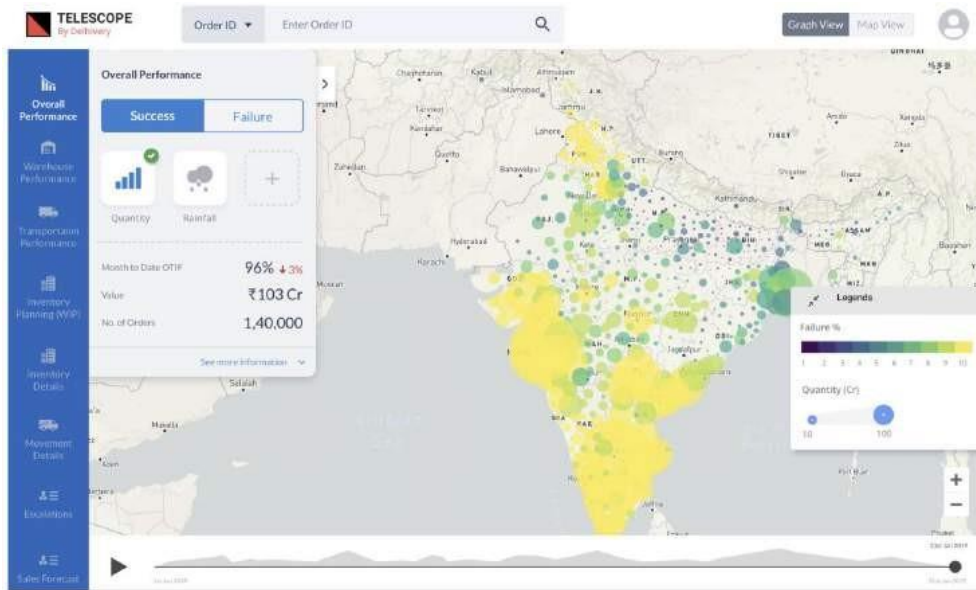
These customer portals are being consolidated into a single Unified Customer Portal ("UCP") using which customers will be able to access all of our services and manage their accounts through a single interface. UCP will also offer value-added services like online channel integration, data products like returns prediction and fraud detection and service products like customized shipping notifications.

- **Supply Chain Solutions Products**

"Telescope", our supply chain visibility product for enterprises, provides a configurable, end-to-end view of our customers' entire supply chain. This is accomplished through integration between customer ERPs and our WMS and TMS systems, coupled with our proprietary supply chain analytics engine. This enables customers to take real-time data-driven decisions regarding inventory placement, order aggregation, optimal order to inventory allocation (while meeting constraints of cost and time) and optimal selection of transportation modes and partners. In addition, through Primaseller, we are able to provide multi-channel integrations (online as well as offline), order management and inventory virtualization capabilities that are prominently used by D2C and omni-channel retailers.

ORDER ID	MOVEMENT	WAREHOUSE	CONSIGNEE	CREATED ON	UNITS	VALUE	STATUS
55218042	Interstate	Sonique 1 SNPPFC Haryana WH 123	limited Ahmedabad	26 Aug 21 3:30pm	69,746	₹ 85,250	Allocated
42993165	Same-state	Sonique 1 SNPPFC Haryana WH 123	limited Ahmedabad	26 Aug 21 3:30pm	51,021	₹ 52,320	To be picked
96340693	Same-city	Sonique 1 SNPPFC Haryana WH 123	limited Ahmedabad	26 Aug 21 3:30pm	59,636	₹ 58,915	In transit
92007841	Interstate	Sonique 1 SNPPFC Haryana WH 123	limited Ahmedabad	26 Aug 21 3:30pm	80,343	₹ 83,905	Picked
72416657	Interstate	Sonique 1 SNPPFC Haryana WH 123	limited Ahmedabad	26 Aug 21 3:30pm	50,589	₹ 66,654	Awaiting truck
26397496	Same-city	Sonique 1 SNPPFC Haryana WH 123	limited Ahmedabad	26 Aug 21 3:30pm	70,510	₹ 52,683	Awaiting loading

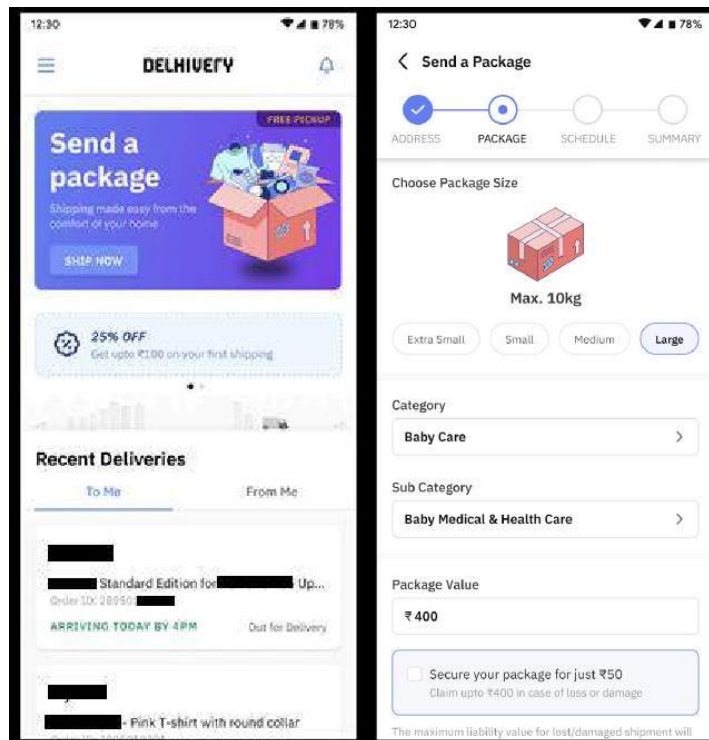
'Telescope' - Order Visibility



*'Telescope' - Warehouse Performance*

- **Consumer Applications**

We launched our Delhivery Direct service in June 2021 to provide door-to-door domestic shipping services to individual consumers from the comfort of their homes. Consumers can check shipping rates, book and track consignments through the Direct web-portal (<https://direct.delhivery.com/>). We are in the process of developing a mobile application for consumers to register and track all of their current and historic orders and customize the delivery process by providing delivery slot preferences, geo-location and address preferences and specific delivery instructions.



*Delhivery Direct Application*

## DATA APPLICATIONS

- **Location Intelligence:**

Our location stack is based on our address resolution engine, “*Addfix*” and geocoding engines. We combine these with vast amounts of GPS data to tackle problems such as enrichment and classification of addresses, inferring travel times and identification of landmarks and locality attributes.

- **Product Intelligence:**

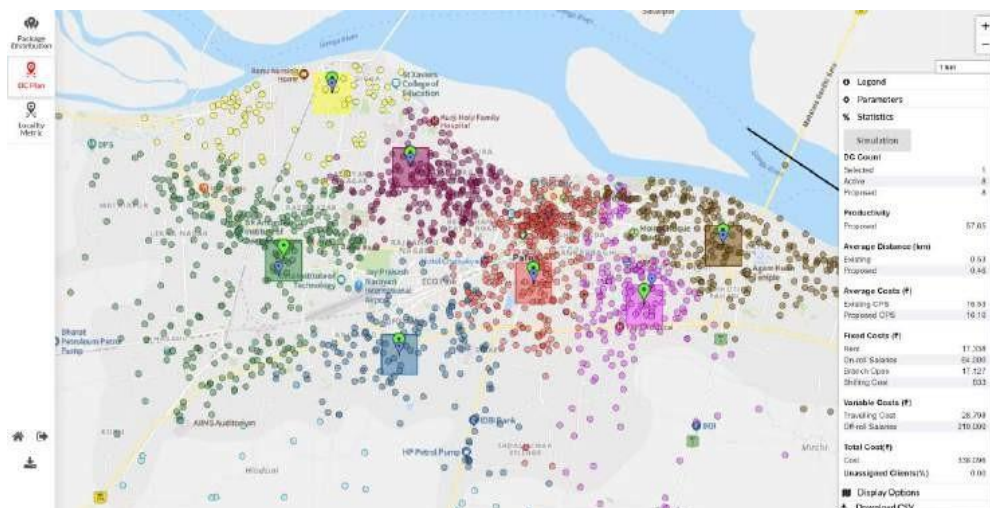
Our deep learning tool, “*Catfi8*”, classifies unstructured product data into categories with detailed attributes - identifying goods as essential, liquid, fragile, air restricted, etc. This tool was particularly critical in immediately identifying and mobilizing essential goods during COVID-19 lockdowns.

- **Capacity Planning:**

Our applied machine learning systems predict expected transit and arrival times for shipments within the network and adjust these in real-time in response to environmental factors, thereby enabling operators to identify at-risk facilities and plan adequate capacity in advance.

- **Network Design:**

We use our “*Netplan*” product combined with our location stack to rapidly map unstructured addresses to appropriate delivery centres, identify optimal facility location and minimize distance travelled by shipments, helping to manage costs in response to changing demand patterns.



*Netplan illustration*

- **Service Recovery:**

Network monitoring applications and services provide end-to-end visibility of service performance risks to our central Control Tower that can instruct operational teams to intervene timely and maintain service quality.

- **Dynamic Mid-mile Operations:**

We use optimization algorithms and simulation to dynamically route inter-city consignments based on the current state of the network to ensure service precision and vehicle utilization.

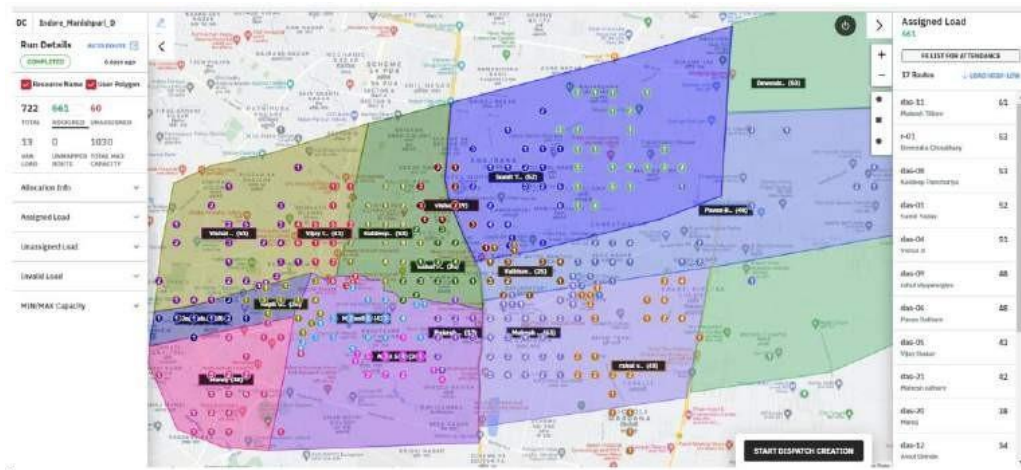
- **Performance Management:**

We use machine learning to analyse operational data and develop customized KPI targets and compensation structures for our teams and partners across our operations.



- **Parcel Routing:**

Based on shipment parameters, geographical and traffic factors our systems automatically generate optimal dispatch sequences that simplify loading and unloading process and improve productivity of our last mile operations.



*Parcel routing illustration*

- **Inventory Placement:**

Our technology systems forecast goods demand and drive stocking and replenishment decisions at our fulfilment centers, thereby reducing transportation and inventory costs and also reducing overall fulfilment timelines.

- **Security:**

We use historical behavior patterns to predict delivery risks such as non-acceptance of packages or potential fraud and use machine vision to identify product mismatches at our sortation centers and automate our PoD processes.

## SECURITY AND SAFETY

The safety and security of our employees, customers, partners, facilities, assets and data is of paramount importance. We are a registered corporate full member of the Transported Asset Protection Association (“TAPA”), the industry body for establishing security standards in logistics and supply chain.

### *Facilities*

Our facility at Air Cargo Logistics Center, IGI Airport, New Delhi has received an ISO 45000 certification in recognition of its health and safety management systems. Our facilities are equipped with all required safety equipment including physical security, security cameras, fire detection alarms and fire extinguishers. As of June 30, 2021, we have over 39,000 high resolution CCTV cameras installed across our network that are monitored by a central security control room. We also deploy AI-based intrusion detection solutions. All major gateways are also equipped with X-ray machines to screen high value parcels and for identifying hazardous goods. We have teams and processes in place to handle materials so identified as per industry best practices and local regulations at all points in our network.

### *Security personnel*

We employed over 1,450 guards and over 600 security personnel as of June 30, 2021. Selected personnel are also TAPA Facility Security Requirements and Trucking Security Requirements certified.

### *Road safety*

Regular safety training is imparted to our drivers including training for steps to be followed in case of any accidents.

Our vehicles are also tracked via GPS to detect any anomalies and prevent accidents or theft. We follow a stringent testing process for our drivers for consumption of any prohibited substances and undertake measures such as health checkups to ensure drivers are physically fit. Vehicles used in our network are equipped with safety devices as per applicable regulations.

#### *Health & safety*

We train employees at our facilities regularly on general safety guidelines and safe work procedures and undertake regular safety drills. The monthly injury rate in our network stood at 0.29 per thousand employees (on-roll as well as off-roll) as of June 30, 2021. In addition, we conduct regular health camps for our workforce and have ambulances available at our key centers.

### **OUR TEAM**

As of June 30, 2021, we had 12,665 permanent employees worldwide, excluding Spoton’s employees. We also engage manpower agencies to provide us with a temporary workforce which included 27,313 contracted workers, as of June 30, 2021. In addition, we had 26,370 last mile delivery agents in June 2021. Spoton had 1,807 permanent employees and 140 contract workers as of June 30, 2021. Our network partners hire their own employees according to their operational needs. None of our employees are represented by a labour union. We maintain a good working relationship with our employees, and we have not experienced any work stoppages since our incorporation.

The following table provides a breakdown of our employees (excluding those employed by Spoton) by function as of June 30, 2021.

<b>Function</b>	<b>No. of employees</b>
Operations and Network Design	10,942
Sales & Business Development	499
Engineering, Data Sciences and Product	474
Customer Service	375
Other Corporate Functions	375
<b>Total</b>	<b>12,665</b>

### **INTELLECTUAL PROPERTY**

We rely on a combination of trademarks, copyrights and patents in India and other jurisdictions in which we operate, as well as confidentiality procedures and contractual provisions to protect our intellectual property.

We have filed the following patents in India and/or the U.S., which are currently pending:

- System and Method for Selecting a Distribution Centre for Delivery of Goods to a Destination Address (India/US)
- System and Method for Assigning a Unique Identification to an Address and Optimizing the Same (India/US)
- System and Method for Validating Accuracy of Geographic Location for an Address (India/US)
- System and Method for Assigning a Unique Identification to an Address (India/US)
- System and Method for Generating and Optimizing Dynamic Dispatch Plans (India)

In addition, we have filed for two patents in India with respect to (i) tamper free packaging box with perforations and interlocking flaps; and (ii) tuck lock packaging box with perforations and interlocking flaps. Further, we have registered the design for a ‘multi format bag’ in India.

As on the date of this Draft Red Herring Prospectus, we have a number of trademark registrations in India, including but not limited to, “Delhivery”, “Delhivery ENABLING ECOMMERCE”, “Delhivery Small World” and, certain overseas Trademark registrations specifically in the UK and Singapore. Certain trademark applications are pending before the relevant intellectual property authorities in China and the U.S. While we have numerous trademark registrations in India under classes 35, 39 and 42 our core services lie in class 39. Further, we have copyright registrations duly registered with the Registrar of Copyrights in accordance with the Copyright Act 1957.

### **PROPERTY**

Our registered office is situated on leased premises at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi – 110037, India. The lease is valid until May 31, 2022 with an option to renew the lease. Our corporate office (also our headquarters) is situated on leased premises at Plot 5, Sector 44, Gurugram- 122002, Haryana, India. The lease is valid until May 31, 2024 with an option to renew the lease.

We do not own any real estate or buildings. However, as of June 30, 2021, we leased 2,473 properties with 12.60 million square ft. of space across our fulfilment centres, warehouses, sort centers, gateways, service centres, distribution centres, return centres, intermediate processing centres and offices in India. In addition, Spoton had leased 172 properties with 2.75 million sq. ft. of space across warehouses, gateways and service centers in India as of June 30, 2021.

Typically, we enter into short term and medium-term lease arrangements for our various properties and are subject to lock-in for a certain duration over the respective term of such lease. We are required to pay a security deposit, specified monthly rentals and common area maintenance charges for the duration of the relevant agreement, subject to periodic escalations at agreed rates with an option to renew the lease upon lease expiry.

## **INSURANCE**

We maintain various insurance policies to safeguard against risks and unexpected events. We maintain insurance coverage under various insurance policies for, among other things, standard fire and special perils policy, burglary insurance policies, fire floater policies, marine cargo insurance policies, package insurance policies including for carriers legal liability insurance policy, group mediclaim policy, group personal accident insurance policies, machinery insurance policy, directors' and officers' liability policy, special contingency insurance policy for dishonesty and fidelity for employees (covering any loss of money or other property sustained due to any fraudulent or dishonest acts of employees). Further, we also maintain insurance policies for terrorism and cyber security. We have purchased compulsory motor vehicle liability insurance and commercial insurance such as automobile third-party liability insurance, vehicle loss insurance and driver/passenger liability insurance.

We purchase inland insurance to protect goods and assets against unforeseen events. Our end customers may pay extra fees to purchase our priority handling services for valuable items and we will compensate those customers based on the value declared in the case of item loss or damage attributable to us. We do not maintain business interruption insurance nor do we maintain product liability insurance, however we do maintain a carriers legal liability insurance with extended coverage over land/rail and including air cargo, ocean cargo and couriers for safeguard against liability arising due to hired vehicles, riots, strikes and malicious damages at warehouse or at trans-shipment yards/shortage due to theft or pilferage of cargo while in custody of carriers, flood or water damage or damage by any other cargo and breakage, leakage and damage due to improper handling. Our management evaluates the adequacy of our insurance coverage from time to time and purchases additional insurance policies as needed.

## **DATA PROTECTION AND PRIVACY**

We collect vast amounts of operational data to help us automate and optimize critical business decisions. In order to create a secure, accessible and efficient framework for managing big data, our Enterprise Data Architecture leverages decentralised data mesh architecture and data governance to provide fine-grained access management across our data assets, along with decentralised ownership, monitoring and risk auditing.

We subject our technology stack to numerous organizational and technical measures to identify, protect, detect, respond and recover from cyber security attacks and data breaches. Our web and mobile applications and servers undergo thorough regular manual & automated security assessment to identify vulnerabilities to be remediated. We are compliant with ISO 27001 requirements and Information Technology General Control testing. We ensure strict access control to applications, servers, databases and data warehouses considering least privilege principle. We ensure security of data at rest and in-transit through various means including pseudonymisation, masking and encryption. We scrutinize our existing controls through various internal and external audits to identify and remediate technical process inefficiencies.

Respect for data privacy is core to Delhivery. We are implementing controls across the organization that comply with applicable regulatory and contractual data protection requirements, in line with expected Indian privacy law and European GDPR guidelines.

We have access to a large amount of confidential information in our day-to-day operations. Each waybill may contain the names, addresses, phone numbers and other contact information of the sender and recipient of a shipment. The content of the shipment may also constitute or reveal confidential information. Thus, the proper use and protection of confidential information is essential to maintaining customer trust in us and our services. As our business depends on our customers' trust in us and our platform, we are committed to protecting our customers' personal data. Our data protection and privacy policies are aimed at ensuring that (i) our collection and storage of personal data is conducted in accordance with applicable laws and regulations, (ii) the personal data we collect are reasonable for the purposes for which they are collected and (iii) our customers and business partner are informed of the purposes for which their personal data are collected and used.

We use various encryption technologies at software and hardware levels to protect the transmission and storage of personal data. We also use anti-malware, end-point protection, network protection, security monitoring and application and platform security tools to protect data privacy. To minimize the risk of data loss or leakage, we maintain contingency, redundancy and conduct regular data backup and data recovery tests.

### **OUR SOCIAL RESPONSIBILITY**

We have formulated a Corporate Social Responsibility (“CSR”) policy in accordance with the requirements of the Companies Act, 2013 and the rules thereunder. Our Board of Directors has also constituted a CSR Committee, which recommends the amount of expenditure to be incurred on CSR activities and monitors our CSR policy from time to time. For further details on the composition of the CSR Committee, see “*Our Management – Board Committees – Corporate Social Responsibility Committee*” on page 212.

#### ***Our COVID-19 Response***

The COVID-19 pandemic has disrupted the way we lead our lives. We have modified our business practices to minimize the risk of COVID-19 to our employees, our customers and the communities in which we participate.

Our first response to the pandemic was to put in place WHO safety guidelines regarding sanitization and social distancing. We shut down our physical offices in the first week of March 2020 in anticipation of nationwide lockdowns and began preparations to maintain operational continuity. Due to nationwide lockdowns announced in March 2020, our parcel volumes declined to zero for a period of one week. However, we were able to retool our network to deliver essential goods as per government directives across over 8,300 PIN codes by the first week of April. Our network remained operational and we continued to provide uninterrupted logistics support thereafter, including through the second wave of COVID-19 during the first half of 2021.

Post the second wave, we have undertaken free vaccination drives for employees of our Company. In addition, we have taken measures to support our teams by reimbursing medical expenses, providing statutory or sustenance pay irrespective of volumes and operating free quarantine centers and healthcare services for anybody recommended by our employees and our network partners. Apart from this, we continue 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, we partnered with Hunger Heroes to import 8,419 oxygen concentrators. We partnered with “ACT grants” and others to import 35,875 oxygen concentrators, oxygen plants, oxygen cylinders, equipment required to set up new oxygen plants and various medical supplies from around the world and distributed them across India.

#### ***Other CSR Initiatives***

Contributing to the well-being and development of the communities we operate in is an important pillar of our CSR initiatives. In addition, our vast network and logistics capabilities are designed to be resilient in even extreme operating conditions. Another area of focus for our CSR activities, therefore, is to effectively deliver relief services during natural calamities, in partnership with local and state authorities.

We have in the past undertaken relief work in regions hit by cyclones and floods by delivering food and essential supplies to such areas. Our Board, pursuant to its resolution dated October 22, 2021, approved an annual contribution of ₹10.00 million for the next two and half years, towards the Olympic Gold Quest, a program oriented towards assisting athletes for the Olympics. Since May 2021, we have also been associated as the logistic partner of Goonj, a non-governmental organization that undertakes disaster relief, humanitarian aid and community development in India.



## KEY INDUSTRY REGULATIONS AND POLICIES

*The following is an overview of the relevant sector specific regulations and policies in India which are applicable to our business operations in India. The information detailed below has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, and remain subject to judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **Motor Vehicles Act, 1988 (the “Motor Vehicles Act”)**

The Motor Vehicles Act and the rules prescribed thereunder regulate all aspects of motor vehicles in India, including licensing of drivers, registration of motor vehicles, control of motor vehicles through permits, special provisions relating to state transport undertakings, insurance, liabilities, offences and penalties. Accordingly, the Motor Vehicles Act places a liability on every owner of, or person responsible for, a motor vehicle to ensure that every person who drives a motor vehicle holds an effective driving license. Further, the Motor Vehicles Act requires that an owner of a motor vehicle bear the responsibility of ensuring that the vehicle is registered in accordance with the provisions of the Motor Vehicles Act and that the certificate of registration of the vehicle has not been suspended or cancelled. Further, the Motor Vehicles Act prohibits a motor vehicle from being used as a transport vehicle unless the owner of the vehicle has obtained the required permits authorizing him/her to use the vehicle for transportation purposes.

The Central Motor Vehicles Rules, 1989, is a set of rules prescribed under the Motor Vehicles Act, which lay down the procedures for licensing of drivers, driving schools, registration of motor vehicles and control of transport vehicles through issue of tourist and national permits. It also lays down rules concerning the construction, equipment and maintenance of motor vehicles and insurance of motor vehicles against third party risks.

### **The Carriage by Road Act, 2007 (the “Road Carriage Act”)**

The Road Carriage Act, and the rules framed thereunder, have been enacted for regulating common carriers, limiting their liability and declaration of value of goods delivered in order to determine their liability for loss of, or damage to, such goods occasioned by the negligence or criminal acts by such carriers, their servants or agents and for incidental matters. The Road Carriage Act defines a ‘common carrier’ as a ‘person engaged in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorised transport on road, and includes a goods booking company, contractor, agent, broker, and courier agency engaged in the door-to-door transportation of documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government’. No person can engage in the business of a common carrier unless he/she has a valid certificate of registration. As per the Carriage by Road Rules, 2011, the liability of a common carrier for loss or damage to any consignment is limited to 10 times of the freight paid, or payable, provided such amount shall not exceed the value of the goods declared in the goods forwarding note.

### **The Multimodal Transportation of Goods Act, 1993 (the “Multimodal Transportation Act”)**

The Multimodal Transportation Act defines ‘multimodal transport’ as the “carriage of goods by at least two different modes of transport, under a multimodal transport contract, from a place of acceptance of goods in India to a place of delivery of such goods outside India.” A multimodal transport is governed by a transport contract, which, *inter alia*, sets out the liability of a multimodal transport operator to perform, or procure the performance of, multimodal transportation against payment of freight. The Multimodal Transportation Act allows a person to provide multimodal transportation services on obtaining a certificate of registration, which is valid for a period of three years. A multimodal transport operator is liable for losses resulting from (a) any loss of, or damage to, the consignment or delay in delivery of the consignment and (b) any consequential loss or damage arising from such delay, where such loss, damage or delay in delivery took place while the consignment was in the charge of the multimodal transport operator.

### **The Food Safety and Standards Act, 2006 (the “FSS Act”)**

The FSS Act consolidates the laws relating to food and to establish the Food Safety and Standards Authority of India (the “**Food Authority**”) for setting out scientific standards for articles of food and to regulate their

manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption and for matters connected therewith or incidental thereto. The Food Authority is required to provide scientific advice and technical support to the GoI and the state governments in framing the policy and rules relating to food safety and nutrition. The FSS Act also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of a ‘food business operator’ and liability of manufacturers and sellers, and adjudication process. The Food Safety and Standard Regulations, 2011 lay down duties of a Food Inspector, which, among others, include ensuring that food business operators are complying with the requirements pertaining to manufacture, handling and packaging of food articles, along with the conditions of the license granted to them for various food products.

### **The Motor Transport Workers Act, 1961 (the “MTW Act”)**

The MTW Act regulates the welfare of motor transport workers and the conditions of their work. Every motor transport undertaking employing five or more motor transport workers is required to comply with the provisions of the MTW Act. Among other provisions, the MTW Act stipulates compliances pertaining to working hours, payment of wages and protection of the welfare and health of employees. Any contravention of a provision regarding employment of motor transport workers is punishable with imprisonment or with fine.

### **The Legal Metrology Act, 2009**

The Legal Metrology Act, 2009 (“**Legal Metrology Act**”) came into force on March 1, 2011. The Legal Metrology Act provides that the units of weights and measures must be in accordance with the metric system based on the international system of units, and prohibits quotations made otherwise. The Legal Metrology (General) Rules, 2011, which came into force on April 1, 2011, also provide the detailed specifications of standard weights and measures and the standard equipment. The Legal Metrology Act regulates the trade and commerce in weights and measures, and provides for the appointment of a director, controller and other legal metrology officers, and empowers them to undertake inspection or forfeiture to ensure compliance with its provisions. The Legal Metrology Act provides for imposition of penalty on use of non-standard, or unverified weights and measures, and for making any transaction, deal or contract in contravention of the standards of weights and measures. The Legal Metrology Act allows companies to nominate a person who will be held responsible for the breach of provisions of this legislation.

### **The Drone Rules, 2021 (the “Drone Rules”)**

The Drone Rules, issued by the Ministry of Civil Aviation on August 25, 2021, provide, among other things, for registration of Unmanned Aircraft System (“UAS”), i.e. an aircraft that can operate autonomously or can be operated remotely without a pilot on board. Based on their weight, the Drone Rules identify 5 classes of UAS, namely, nano, micro, small, medium and large. In order to operate any UAS (except the nano UAS), a person is required to secure registration of the UAS over the single window created over the digital sky platform.

### **Consumer Protection Act, 2019 (the “Consumer Protection Act”)**

The Consumer Protection Act was designed and enacted to provide simpler and quicker access to redress consumer grievances. It seeks, among other things, to promote and protect the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. The definition of “consumer” under the Consumer Protection Act includes persons engaged in offline or online transactions through electronic means or by tele-shopping or direct selling or multi-level marketing. It provides for the establishment of consumer disputes redressal forums and commissions for the purpose of redressal of consumer grievances. In addition to awarding compensation and/or passing corrective orders, the forums and commissions under the Consumer Protection Act, in cases of misleading and false advertisements, are empowered to impose imprisonment for a term, which may extend to two years and fine which may extend to rupees ten lakh, and for every subsequent offence, imprisonment for a term which may extend to five years and a fine which may extend to fifty lakh rupees.

In line with the Consumer Protection Act, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“**E-Commerce Rules**”) which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage a digital or electronic facility or platform for electronic commerce, and sellers of products and services.

## **Information Technology Act, 2002 (“Information Technology Act”)**

The Information Technology Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data.

The Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), on April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“**IT Security Rules**”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“**IT Intermediaries Rules**”) on February 25, 2021, requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries.

## **Foreign Investment Legislations**

Foreign investment in India is governed by the provisions of FEMA Non-Debt Instruments Rules along with the Consolidated FDI Policy issued by the DPIIT, from time to time. Further, the RBI has enacted the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 which regulates the mode of payment and reporting requirements for investments in India by a person resident outside India. The DPIIT on October 29, 2020 has issued the consolidated Foreign Direct Investment Policy of 2020, which lays down certain guidelines and conditions for foreign direct investment in various sectors.

## **Labour Law Legislations**

### ***The Occupational Safety, Health and Working Conditions Code, 2020 (the “Occupational Conditions Code”)***

The Occupational Conditions Code received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The Occupational Conditions Code proposes to provide for, among other things, standards for health, safety and working conditions for employees of establishments, and will come into effect on a date to be notified by the Central Government.

### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020, and proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The Industrial Relations Code, 2020 will come into effect on a date to be notified by the Central Government.

### ***Other labour law legislations***

The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers’ rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

- i. Minimum Wages Act, 1948
- ii. Payment of Wages Act, 1936
- iii. Child Labour (Prohibition and Regulation) Act, 1986
- iv. Transgender Persons (Protection of Rights) Act, 2019
- v. Equal Remuneration Act, 1976
- vi. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- vii. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- viii. The Code on Wages, 2019\*
- ix. The Code on Social Security, 2020\*\*
- x. Various state shops and establishments legislations

*\*The GoI enacted 'The Code on Wages, 2019' which received the assent of the President of India on August 8, 2019. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(2)(s), 67(2)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986) of the Code on Wages, 2019. The remaining provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume four separate legislations, namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976.*

*\*\*The GoI enacted 'The Code on Social Security, 2020' which received the assent of the President of India on September 28, 2020. The provisions of this code will be brought into force on a date to be notified by the GoI. It proposes to subsume several separate legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008.*

### **The Trade Marks Act, 1999 (the "Trade Marks Act")**

The Trade Marks Act governs the statutory protection of trademarks and prevention of the use of fraudulent marks in India. It provides for the application and registration of trademarks in India. It also provides for exclusive rights to marks such as brand, label, and heading and to obtain relief in case of infringement for commercial purposes as a trade description. Under the provisions of the Trade Marks Act, an application for trade mark registration may be made with the Controller General of Patents, Designs and Trademarks by any person or persons claiming to be the proprietor of a trade mark, whether individually or as joint applicants, and can be made on the basis of either actual use or intention to use a trade mark in the future. Once granted, a trade mark registration is valid for 10 years unless cancelled, subsequent to which, it can be renewed. If not renewed, the mark lapses and the registration is required to be restored to gain protection under the provisions of the Trade Marks Act. The Trade Marks Act prohibits registration of deceptively similar trademarks and provides penalties for infringement, falsifying or falsely applying for trademarks. Further, pursuant to the notification of the Trade Marks (Amendment) Act, 2010, simultaneous protection of trade mark in India and other countries has been made available to owners of Indian and foreign trade marks. It also seeks to simplify the law relating to the transfer of ownership of trade marks by assignment or transmission and to bring the law in line with international practices.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as “SSN Logistics Private Limited”, a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC on June 22, 2011. Subsequently, the name of our Company was changed to “Delhivery Private Limited”, pursuant to a fresh certificate of incorporation issued by the RoC on December 8, 2015. On the conversion of our Company to a public limited company, pursuant to a resolution passed by our Shareholders on September 29, 2021 our name was changed to “Delhivery Limited” and a fresh certificate of incorporation was issued by the RoC on October 12, 2021.

### Changes in the Registered Office

Except as disclosed below, there has been no change in the registered office of our Company since the date of incorporation.

Date of change	Details of change in the registered office	Reasons for change
August 1, 2011	Registered office moved from B-32, Swasthya Vihar, Delhi 110092 to F 7, Bandu Vihar Apartments, Plot No. 11, Sector 10, Dwarka, New Delhi 110075 Delhi, India	Administrative convenience
December 16, 2014	Registered office moved from F 7, Bandu Vihar Apartments, Plot No. 11, Sector 10, Dwarka, New Delhi 110075 to B-244, Okhla Industrial Estate, Phase I, New Delhi 110020 Delhi, India	Administrative convenience
August 30, 2017	Registered office moved from B-244, Okhla Industrial Estate, Phase I, New Delhi 110020 to A-29 (Back part), Mohan Co-operative Industrial Estate, New Delhi 110044 Delhi, India	Administrative convenience
June 25, 2020	Registered office moved from A-29 (Back part), Mohan Co-operative Industrial Estate, New Delhi 110044 to N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, Indira Gandhi International Airport, New Delhi 110037 Delhi, India	Administrative convenience

### Main objects of our Company

The main objects clause as contained in the Memorandum of Association enable our Company to undertake its existing activities. The main objects contained in our Memorandum of Association are as follows:

1. *To provide logistics and delivery solutions to consumers and a wide range of businesses, to provide logistics means, option and facilities to all kinds of business houses, corporates on contract or otherwise.*
2. *To provide web hosting, internet content development, web interface, web sites design, domain name services, and website maintenance services to other businesses.*

### Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last 10 years:

Date of Shareholder's resolution/ Effective date	Particulars
November 7, 2011	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹100,000 divided into 10,000 equity shares of ₹10 each to ₹6,000,000 divided into 600,000 equity shares of ₹10 each.
January 30, 2012	Clause III (C) of the Memorandum of Association was amended to reflect the change in the 'other objects' of the Company.
March 26, 2012	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹6,000,000 to ₹9,000,000 divided into 600,000 equity shares of ₹10 each and 300,000 preference shares of ₹10 each.
July 19, 2013	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹9,000,000 divided into 600,000 equity shares of ₹10 each and 300,000 preference shares of ₹10 each to ₹54,000,000 divided into 600,000 equity shares of ₹10 each, 3,00,000 preference shares of ₹10 each and 450,000 preference shares of ₹100 each.

Date of Shareholder's resolution/ Effective date	Particulars
June 28, 2014	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹54,000,000 divided into 600,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 450,000 preference shares of ₹100 each to ₹58,500,000 divided into 600,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each, 450,000 preference shares of ₹100 each, 450,000 preference shares of ₹100 each and 45,000 preference shares of ₹100 each.
July 24, 2014	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹58,500,000 divided into 600,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each, 450,000 preference shares of ₹100 each and 45,000 preference shares of ₹100 each to ₹134,500,000 divided into 1,200,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each, 450,000 preference shares of ₹100 each and 745,000 preference shares of ₹100 each.
March 27, 2015	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹134,500,000 divided into 1,200,000 equity shares of ₹10 each, 3,00,000 preference shares of ₹10 each, and 450,000 preference shares of ₹100 each and 745,000 preference shares of ₹100 each. to ₹174,500,000 divided into 1,200,000 equity shares of ₹10 each and 3,00,000 preference shares of ₹10 each, and 1,595,000 preference shares of ₹100 each
November 24, 2015	Clause I of the Memorandum of Association was amended to reflect the change in name from 'SSN Logistics Private Limited' to 'Delhivery Private Limited'
September 14, 2016	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹174,500,000 divided into 1,200,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each, and 1,595,000 preference shares of ₹100 each to ₹204,500,000 divided into 1,200,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 1,895,000 preference shares of ₹100 each
March 2, 2017	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹204,500,000 divided into 1,200,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 1,895,000 preference shares of ₹100 each to ₹288,533,700 divided into 1,200,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 2,735,337 preference shares of ₹100 each
June 19, 2017	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹288,533,700 divided into 1,200,000 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 2,735,337 preference shares of ₹100 each to ₹290,135,980 divided into 1,360,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 2,735,337 preference shares of ₹100 each
November 6, 2018	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital from ₹290,135,980 divided into 1,360,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 2,735,337 preference shares of ₹100 each to ₹440,135,980 divided into 1,360,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,235,337 preference shares of ₹100 each
March 11, 2020	Clause V of the Memorandum of Association was amended to reflect the increase in authorized share capital from ₹440,135,980 divided into 1,360,228 equity shares of ₹10 each, 3,00,000 preference shares of ₹10 each and 4,235,337 preference shares of ₹100 each to ₹446,535,980 divided into 2,000,228 equity shares of ₹10 each, 300,000 preference shares of ₹10 each and 4,235,337 preference shares of ₹100 each
February 1, 2021	Clause V of the Memorandum of Association was amended to reflect the increase in authorised share capital from ₹446,535,980 divided into 2,000,228 equity shares of ₹10 each, 300,000 preference shares of ₹100 each and 4,235,337 preference shares of ₹100 each to ₹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
August 5, 2021	Clause V of the Memorandum of Association was amended to reflect the increase in 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	Clause V of the Memorandum of Association was amended to reflect the 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	Clause V of the Memorandum of Association was amended to reflect the sub-division in 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

Date of Shareholder's resolution/ Effective date	Particulars
September 29, 2021	Clause I of the Memorandum of Association was amended to reflect the change in name from 'Delhivery Private Limited' to 'Delhivery Limited'
October 15, 2021	Clause V of the Memorandum of Association was amended to reflect the 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 of ₹100 each

## Major events and milestones of our Company

The table below sets forth some of the key events in our history:

Calendar Year	Milestone
2011	Incorporation of our Company as a logistics services provider
2011	Launch of Transportation Management System
2013	Launch of Warehouse Management System
2013	Commencement of fulfilment business
2014	Launch of Netplan, our network design tool
2015	Launch of Addfix, our address resolution engine
2015	Launch of automated sorters in our network
2015	Commencement of self-managed express surface line-haul network
2016	Commencement of part truckload services (PTL service offering)
2016	Launch of 'Constellation', partner managed last mile delivery network
2018	Commencement of Truckload services (TL service offering)
2018	Commencement of cross border service offering
2018	PaaS (Platform as a Service) soft launch in Sri Lanka and Bangladesh
2019	Commencement of Supply Chain Services
2019	Acquisition of Aramex's India assets
2019	Entered into partnership with UPS
2019	Launch of tractor trailers in our network
2019	Opened the Delhivery USA office
2020	Acquisition of Roadpiper Technologies Private Limited
2020	Launch of 3 mega trucking terminals in Tauru (Haryana), Bhiwandi (Maharashtra) and Bengaluru (Karnataka)
2021	Acquisition of the business of Primaseller Inc.
2021	Signed an agreement to enter into a strategic alliance with FedEx, which shall become effective upon fulfilment of certain closing conditions, including receipt of requisite regulatory approval
2021	Acquisition of Spoton Logistics Private Limited
2021	1 billion express parcel shipments delivered since incorporation

## Our Holding Company

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

## Our Subsidiaries

As of the date of this Draft Red Herring Prospectus, our Company has eight direct subsidiaries and two indirect subsidiaries. For details regarding our Subsidiaries, please see "– *Our Subsidiaries*" on page 196.

## Joint Ventures

As of the date of this Draft Red Herring Prospectus, our Company does not have any joint venture.

## Significant financial and strategic partnerships

Except for our proposed strategic alliance with FedEx in respect of which our Company has entered into arrangements which will become effective subject to fulfilment of certain closing conditions, including receipt of requisite regulatory approval, our Company does not have any significant financial or strategic partners, as on the date of this Draft Red Herring Prospectus. For further, details, see "– *Details regarding material acquisitions or*

*divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years*” and “– *Key terms of other subsisting material agreements*” on pages 193 and 195, respectively.

#### **Time/cost overrun**

There has been no time or cost overrun in respect of our business operations.

#### **Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks**

There has been no instance of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our borrowings from lenders.

#### **Facility creation, location of offices**

For details regarding facility creation and location of our offices, see “*Our Business*” on page 157.

#### **Launch of key products or services, entry into new geographies or exit from existing markets**

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see “*Our Business*” on page 157.

#### **Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years**

Except as disclosed below, our Company has not made any material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years.

1. ***Asset purchase agreement dated February 27, 2019 (“Aramex Asset Purchase Agreement”) between our Company and Aramex India Private Limited (“Aramex”)***

Aramex was, among other activities, engaged in the business of transportation, warehousing and logistics services in India. Pursuant to the Aramex Asset Purchase Agreement, our Company has acquired the fixed assets, equipment, property, contracts (including customer contracts, manpower contracts and vendor contracts), licenses and customers of Aramex, along with its employees who were desirous of joining our Company.

2. ***Business transfer agreement dated January 16, 2020 (“Roadpiper Business Transfer Agreement”) among our Company, Orion Supply Chain Private Limited (“OSCPL”), Anurag Garg, Puneet Bagla, Saurabh and Roadpiper Technologies Private Limited (“Roadpiper”)***

Roadpiper, was, among other activities, engaged in the business of providing technology solutions to the logistics industry, providing proprietary freight and logistics software and end-to-end services to transportation organizations. Anurag Garg, Puneet Bagla and Saurabh were promoters of Roadpiper. Pursuant to the terms of the Roadpiper Business Transfer Agreement, OSCPL, our Subsidiary, purchased the business of Roadpiper by way of a slump sale on a going concern basis. As part of the slump sale, among other things, all fixed assets, movable and/or immovable properties, leasehold rights in immovable properties, licenses, employees, databases relating to customers and clients, content generated during the operation of business, and all intellectual property rights of Roadpiper were transferred to OSCPL, in accordance with the terms of the Roadpiper Business Transfer Agreement.

3. ***Asset purchase agreement dated February 20, 2021 (“Primaseller Asset Purchase Agreement”) among our Company, Delhivery USA LLC, Mohammed Ali, Vivek Subramanian and Primaseller Inc. (“Primaseller”)***

Primaseller was engaged in the business of inventory and order management through web services and allied facilities (“**Web Services**”). Vivek Subramanian and Mohammed Ali are the founders of Primaseller. Pursuant to the terms of the Primaseller Asset Purchase Agreement, Primaseller agreed to sell, transfer, grant, assign and deliver to our Company and to Delhivery USA, all of its rights, titles and interest in intellectual property, books and records used for running its business operations, along with any claims, rights of recovery, causes of actions, rights of set-off or of recoupment that are or would be available with respect to the customers of Primaseller, such that the ‘Web Services’ offered by Primaseller can be integrated into the business of our Company and/or Delhivery USA.



4. ***Asset purchase agreement dated July 15, 2021 executed among our Company, FedEx and TNT India Private Limited (“TNT”, and such agreement, the “FedEx Asset Purchase Agreement”)***

FedEx is, among other things, engaged in the business of providing warehousing, transportation and logistics services in India. Pursuant to the terms of the FedEx Asset Purchase Agreement, our Company, subject to fulfilment of certain closing conditions, including receipt of the requisite anti-trust approval from the Competition Commission of India, agreed to acquire from FedEx certain identified assets and facilities and certain customer contracts (subject to obtaining customer consent) to the extent that such contracts relate to the business of providing domestic express services (i.e. domestic express parcel and PTL services, but excluding domestic freight transport services provided as part of freight forwarding business, warehousing services, or the special services provided by TNT for cold-chain or healthcare express services in India), within India.

5. ***Share purchase agreement dated July 29, 2021 executed among our Company, Spoton Logistics Private Limited (“Spoton”) and Samara Alternative Investment Fund, Samara Capital Partners Fund II Limited, Virginia Tech Foundation Inc., Xponentia Opportunities Fund-I, Xponentia Fund Partners LLP (collectively the “Sellers”), read with amendment agreement dated August 19, 2021 (“Spoton SPA”)***

Spoton is engaged in the business of providing integrated logistics solutions. Pursuant to the terms of the Spoton SPA, the Sellers have sold and transferred in return for cash, and our Company has acquired, free and clear of all encumbrances, together with all rights, benefits and entitlements thereto, all shares of Spoton held by the Sellers. Subsequent to such acquisition, Spoton has become a wholly-owned subsidiary of our Company.

#### **Shareholders’ agreement**

***Amended and Restated Shareholders’ Agreement dated August 9, 2021 executed among our Company, SVF Doorbell (Cayman) Ltd, CA Swift Investments, Internet Fund III Pte. Ltd., Nexus Ventures III, Ltd., Nexus Opportunity Fund Ltd., Times Internet Limited, Canada Pension Plan Investment Board, FedEx (collectively, the “Investors”), Sahil Barua, Suraj Saharan and Kapil Bharati (collectively, the “Founders”), Bhavesh Kishor Manglani, Mohit Tandon, Abhishek Goyal, Ajith Pai Mangalore, Dinesh Advani, Sandeep Kumar Barasia, Sushant Kashyap and Vikas Kapoor, as amended by the Amendment Agreement dated October 26, 2021 executed by such aforementioned parties; and additionally, the Waiver Letter dated October 26, 2021 executed by such aforementioned parties***

The parties have entered into the SHA to record the terms and conditions agreed to among them in respect of the management, governance and control of the affairs of our Company and certain rights and obligations inter se. Pursuant to the terms of the SHA, read with the Amendment Agreement and the Waiver Letter, till the listing and trading of the Equity Shares of the Company on BSE and NSE or the Long Stop Date (as defined below), whichever is earlier, each of (i) (a) Canada Pension Plan Investment Board, and (b) jointly, Nexus Ventures III, Ltd. and Nexus Opportunity Fund Ltd., at each of their sole discretion, have the right to appoint one non-executive, non-independent Director on our Board, (ii) SVF Doorbell (Cayman) Ltd has the right to appoint two non-executive, non-independent Directors on our Board, at its sole discretion, however, pursuant to the Waiver Letter (effective until the earlier of the the listing and trading of the Equity Shares of the Company on BSE and NSE or the Long Stop Date), SVF Doorbell (Cayman) Ltd shall exercise its right to appoint only one non-executive, non-independent director, and shall not exercise its right to appoint a second nominee director, and (iii) FedEx Express has the right to appoint a non-executive, non-independent Director on our Board, subject to consummation of FedEx’s investment in our Company and related transactions upon satisfaction of all closing conditions including the receipt of necessary regulatory approval. Further, the SHA provides certain inspection and information rights to the Investors, which shall continue till completion of the Offer, i.e. commencement of listing and trading of the Equity Shares on the Stock Exchanges pursuant to the Offer. The parties have also agreed, pursuant to the Waiver Letter, to waive certain *inter se* rights in relation to certain proposed transfers of shareholding, as applicable, of first refusal, tag-along rights on sale to third parties and tag-along rights on sale to competitors, in respect of the Offer.

Pursuant to the terms of the SHA, the investors have the right to require the prior affirmative written consent of the investors holding a majority of the investors’ securities on a fully-diluted basis, in order for our Company to take decisions on certain matters including: (i) the business plan and annual budget of our Company, including any deviations thereto, (ii) incurrence of debt during a financial year in excess of ₹2,000,000,000, (iii) any change in the nature of business or diversification of the business, (iv) any acquisition, disposition or dilution of

substantial interest in any other business or any acquisition of securities of or interests in any company, partnership, body corporate or sole proprietorship or any joint venture, strategic or financial alliance with any third party for consideration paid or received in cash, (v) any increase or decrease or any other change in the composition of the Board, including any revision in the salaries/ compensation paid to the directors of our Company, and (vi) transactions other than in the ordinary course of business of our Company, in excess of ₹100,000,000. Further, the prior affirmative written consent of a “super majority” of investors, *i.e.* investors collectively holding at least 67% of the total investor securities on a fully-diluted basis, is required in order for our Company to take decisions on certain matters including: (i) any change in the capitalization structure of our Company including due to increase in the number of shares reserved for ESOP schemes or issue of shares in connection with an acquisition, subject to certain exceptions, (ii) redemption or buy-back of any equity securities of our Company, including CCPS held by any person, subject to certain exceptions, (iii) amendment of the charter documents of our Company, other than in connection with certain specified matters, and (iv) matters relating to the incorporation or creation of a subsidiary, investment by our Company in its subsidiaries, and any issues relating to sale or divestment or holdings by our Company in any of its subsidiaries. Separately, the prior affirmative written consent of the Founders (to be exercised collectively by the Founder holding the position of chief executive officer of our Company, on behalf of all Founders and whose decision shall be binding on all the Founders), is required in order to take decisions on certain matters including: (i) the business plan and annual budget of our Company, including any deviations thereto, (ii) any change in the charter documents of our Company which adversely affects the Founders and their rights, (iii) commencement of any new line of business, or exit from any current line of business, split-up of the existing business or any other change in the business of our Company, (iv) any restructuring/merger/acquisition/sale of whole or part of our Company, subject to certain exceptions, (v) any amendment to, or waiver of, any material operations agreements of our Company. The SHA also provides that the directors nominated by the Investors will not be liable for any default or failure of our Company in complying with applicable laws, and that our Company will indemnify and hold harmless, to the extent permitted by Applicable Law, the Investors and directors nominated by the Investors from and against any and all losses which they may directly or indirectly incur as a result of any non-compliance of our Company with applicable laws.

In accordance with the terms of the Amendment Agreement, the SHA shall stand automatically terminated immediately prior to the completion of a successful initial public offering of our Company’s share capital on the BSE and NSE approved in accordance with the terms of the SHA, except for certain clauses relating to governing law, dispute resolution and confidentiality that will continue to survive termination. The Amendment Agreement and the Waiver Letter will stand automatically terminated on the Long Stop date, *i.e.* the earlier of: (i) November 1, 2022, in the event that the Equity Shares are not listed on the BSE and the NSE by such date, and/or (ii) the date on which the Board, or a committee thereof, decides not to undertake the Offer, and/or (iii) November 30, 2021, in the event that our Company has not filed a draft red herring prospectus in relation to the Offer with SEBI, the BSE and the NSE by such date, and the SHA (as existing prior to execution of the Amendment Agreement) shall immediately and automatically stand reinstated, with full and force, as it stood prior to the Amendment Agreement.

In terms of Part A of our Articles of Association, which will become effective automatically upon the commencement of listing and trading of our Company’s Equity Shares on the Stock Exchanges, subject to approval of the Shareholders of our Company by way of a special resolution in the first general meeting convened after the listing of Equity Shares of our Company on the BSE and the NSE pursuant to the Offer (i) the Board shall at all times consist of not more than 3 (three) directors from the Management Team (defined below) of our Company (the “**Management Team Directors**”), as nominated by the nomination and remuneration committee (“**NRC**”) of the Board, provided that such director shall be a member of the Management Team as of the date of the appointment and shall continue to be a member of the Management Team during the term of their directorship. “Management Team” herein means (a) each of the founders of our Company, being Sahil Barua, Suraj Saharan and Kapil Bharati, severally and not jointly, until such founder is in the employment of our Company and/ or its Subsidiaries in senior executive capacities; and/ or (b) such other “key managerial personnel” of our Company as may be determined by the NRC from time to time and shall include the “key managerial personnel” of our Company identified in the offer documents, and (ii) SVF Doorbell (Cayman) Ltd shall be entitled to nominate one director on the Board, who shall be deemed to be a non-independent director for the purposes of our Company’s Board, for as long as SVF Doorbell (Cayman) Ltd and/or its affiliates continue to hold at least 10% of our Company’s issued and outstanding paid-up share capital on a fully diluted basis.

#### **Key terms of other subsisting material agreements**

Except as disclosed in “- *Shareholders’ agreement*” on page 194 and below, our Company has not entered into any subsisting material agreements other than in the ordinary course of business of our Company.

***Pick-up, Delivery and Sales Agent Agreement dated July 15, 2021 executed by our Company and FedEx (the “PUD Agreement”)***

Pursuant to the terms of the PUD Agreement, (a) FedEx has agreed to appoint our Company to sell its international services to various customer segments and provide pick-up and delivery and connected line haul services to FedEx within India, and (b) our Company has agreed to appoint FedEx, to provide international delivery services outside India or into the territory of India, each subject to the terms and conditions of the PUD Agreement. The arrangements under the PUD Agreement, however, will neither be applicable to PUD services offered by FedEx in New Delhi, Mumbai and Bengaluru, unless otherwise elected by FedEx in its sole discretion, nor in respect of services being specifically provided by certain other identified international express providers to the Company. The PUD Agreement, upon becoming effective, will be valid for a term of five years, subject to receipt of necessary regulatory approval, and may be extended subject to mutual agreement between the parties.

*Agreements with Key Managerial Personnel, Directors or any other employee*

As on the date of the Draft Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Directors or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

**Our Subsidiaries**

As on the date of this Draft Red Herring Prospectus, our Company has eight direct subsidiaries and two indirect subsidiaries, as set forth below:

*Indian Subsidiaries*

**1. Delhivery Freight Services Private Limited (“DFSPL”)**

*Corporate Information*

DFSPL was incorporated as a private limited company on April 21, 2020 under the Companies Act, 2013 with the RoC. The registered office of DFSPL is at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, Indira Gandhi International Airport, New Delhi 110037 Delhi, India. The CIN of DFSPL is U63090DL2020PTC363367. The principal business of DFSPL is to, among other initiatives, provide services of a digital freight exchange that connects shippers with suppliers of freight capacity ensuring transparent and reliable online execution of orders.

*Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of DFSPL is ₹100,000 divided into 10,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of DFSPL is ₹100,000 divided into 10,000 equity shares of ₹10 each.

Our Company holds 10,000 equity shares of DFSPL (including 1 equity share held by its nominee shareholder, Sahil Barua) aggregating to 100% of the total equity holding of DFSPL.

*Amount of accumulated profits or losses*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of DFSPL that have not been accounted for by our Company in the Restated Financial Statements.

**2. Orion Supply Chain Private Limited (“OSCPL”)**

*Corporate Information*

OSCPL was incorporated as a private limited company on December 6, 2019 under the Companies Act, 2013 with the Deputy Registrar of Companies, Central Registration Centre, Gurugram 122050 Haryana, India. The registered office of OSCPL is at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, Indira Gandhi International Airport, New Delhi 110037 Delhi, India. The CIN of OSCPL is U63030DL2019PTC358458. The principal business of OSCPL is to, among other initiatives, provide services as a digital freight broker with an aim to engage with fleet owners and bring them into our freight exchange platform.

### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of OSCPL is ₹100,000 divided into 10,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of OSCPL is ₹100,000 divided into 10,000 equity shares of ₹10 each.

Our Company holds 10,000 equity shares of OSCPL (including 1 equity share held by its nominee shareholder, Sahil Barua) aggregating to 100% of the total equity holding of OSCPL.

### *Amount of accumulated profits or losses*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of OSCPL that have not been accounted for by our Company in the Restated Financial Statements.

## **3. Delhivery Cross Border Services Private Limited (“DCBSPL”)**

### *Corporate Information*

DCBSPL was incorporated as “Skynet Logistics Private Limited”, a private limited company on December 12, 2015 under the Companies Act, 2013 with the Registrar of Companies, Delhi. Pursuant to a fresh certificate of incorporation dated October 21, 2021, the name was changed to “Delhivery Cross Border Services Private Limited”. The registered office of DCBSPL is at Khasra no 65/23 & 84/3, Gali No 3, Mundka Industrial Area, Main Rohtak Road, New Delhi 110041 Delhi, India. The CIN of DCBSPL is U63090DL2015PTC288415. The principal business of DCBSPL is, amongst others, to carry on the business of logistics, courier, cargo, warehousing and transport.

### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of DCBSPL is ₹100,000,000 divided into 10,000,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of DCBSPL is ₹55,100,000 divided into 5,510,000 equity shares of ₹10 each.

Our Company holds 5,510,000 equity shares of DCBSPL (including 1 equity share held by its nominee shareholder, Sahil Barua) aggregating to 100% of the total equity holding of DCBSPL.

### *Amount of accumulated profits or losses*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of DCBSPL that have not been accounted for by our Company in the Restated Financial Statements.

## **4. Spoton Logistics Private Limited (“Spoton”)**

### *Corporate Information*

Spoton was incorporated as Startrek Logistics Private Limited, a private limited company on November 17, 2011 with the Registrar of Companies, Maharashtra at Mumbai. The name of the company was changed to Spoton Logistics Private Limited with effect from May 17, 2016, pursuant to a fresh certificate of incorporation issued by Registrar of Companies Karnataka at Bangalore on May 17, 2016. The registered office of Spoton is Opposite SEZ Naman Ind Estate, ATPO Matoda, Village Matoda, Taluka Sanand, Ahmadabad, Survey No.520/1 & 520/2, Ahmedabad 382213 Gujarat, India. The CIN of Spoton is U63090GJ2011PTC108834. The principal business of SLPL is, among other initiatives, to provide integrated logistics solutions in India, as authorised under its constitutional documents.

### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of Spoton is ₹1,880,000,000 divided into 188,000,000 equity shares of ₹10 each. The issued, subscribed and paid-up equity share capital of Spoton is ₹206,410,940 divided into 20,641,094 equity shares of ₹10 each.

Our Company holds 20,641,094 equity shares of Spoton (including one equity share held by its nominee shareholder, Sahil Barua) aggregating to 100% of the total equity holding of Spoton.

#### *Amount of accumulated profits or losses*

Spoton was acquired by our Company after the date of the Restated Financial Statements, and accordingly, there are no accumulated profits or losses of Spoton that have been accounted for by our Company in the Restated Financial Statements.

### **5. Spoton Supply Chain Solutions Private Limited (“SSCPL”)**

#### *Corporate Information*

SSCPL was incorporated as “Raag Technologies and Services Private Limited”, a private limited company on May 1, 2008, with the Assistant Registrar of Companies, Chennai. Pursuant to a fresh certificate of incorporation dated June 9, 2021 issued by the Registrar of Companies, Chennai, the name was changed to “Spoton Supply Chain Solutions Private Limited”. The CIN of SSCPL is U74200TN2008PTC067564. The registered office of SSCPL is located at Old No. 21/IH, Parvathikalakshetra Colony, Kgeyes Eternity, Besant Nagar, Chennai 600090 Tamil Nadu, India. The principal business of SSCPL is, among other initiatives, to provide logistics services, as authorised under its constitutional documents.

#### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of SSCPL is ₹500,000 divided into 5,000 equity shares of ₹100 each. The issued, subscribed and paid-up equity share capital of SSCPL is ₹500,000 divided into 5,000 equity shares of ₹100 each.

Our Subsidiary, Spoton holds 5,000 equity shares of SSCPL (including one equity share held by its nominee shareholder, Abhik Mitra) aggregating to 100% of the total equity holding of SSCPL.

#### *Amount of accumulated profits or losses*

Spoton was acquired by our Company after the date of the Restated Financial Statements, and accordingly, there are no accumulated profits or losses of SSCPL that have been accounted for by our Company in the Restated Financial Statements.

#### **Foreign Subsidiaries**

### **6. Delhivery Corp Limited (“DCL”)**

#### *Corporate Information*

DCL was incorporated as a private limited company on March 17, 2016 under the Companies Act, 2006 of UK with the Registrar of Companies for England and Wales. The registered office of DCL is at 27 Old Gloucester Street, London United Kingdom WC1N 3AX. The company number of DCL is 10069774. The principal business of DCL is to, among other initiatives, provide logistics consultancy services, as authorised under its constitutional documents.

#### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of DCL is GBP 2,269,165 divided into 2,269,165 ordinary shares of GBP 1 each. The issued, subscribed and paid-up share capital of DCL is GBP 2,269,165 divided into GBP 2,269,165 ordinary shares of GBP 1 each.

Our Company holds 2,269,165 ordinary shares of DCL aggregating to 100% of the total holding of DCL.

#### *Amount of accumulated profits or losses*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of DCL that have not been accounted for by our Company in the Restated Financial Statements.

### **7. Delhivery HK Pte Limited (“DHPL”)**

#### *Corporate Information*

DHPL was incorporated as a private limited company on August 3, 2018 under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) with the Registrar of Companies, Hong Kong Special Administrative Region. The registered office of DHPL is at 16/F, Wing on Ctr 111, Connaught Road, Central Hong Kong. The business

registration number of DHPL is 2730024. The principal business of DHPL is to, among other initiatives, provide international logistics solutions, as authorised under its constitutional documents.

#### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of DHPL is 2,209,446 divided into 2,209,446 ordinary shares of HKD 1 each. The issued, subscribed and paid-up share capital of DHPL is 2,209,446 divided into 2,209,446 ordinary shares of HKD 1 each.

Our Company holds 2,209,446 ordinary shares of DHPL aggregating to 100% of the total holding of DHPL.

#### *Amount of accumulated profits or losses*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of DHPL that have not been accounted for by our Company in the Restated Financial Statements.

### **8. Delhivery USA, LLC (“Delhivery USA”)**

#### *Corporate Information*

Delhivery USA was incorporated as a limited liability company on May 23, 2016 under the Florida Limited Liability Company Act with the Secretary of State, State of Florida at Tallahassee, U.S.A. The registered office of Delivery USA is at 28901 Trails Edge Boulevard, Suite 205, Bonita Springs, Florida 34134. The document number of Delhivery USA is L16000103055. The principal business of Delhivery USA is to, among other initiatives, work in logistics and technology development, as authorised under its constitutional documents.

#### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of Delivery USA is USD 4,631,060 divided into 4,631,060 equity shares of USD 1 each. The issued, subscribed and paid-up equity share capital of Delhivery USA, LLC is USD 4,631,060 divided into 4,631,060 equity shares of USD 1 each.

Our Company holds 4,631,060 equity shares of Delhivery USA aggregating to 100% of the total equity holding of Delhivery USA.

#### *Amount of accumulated profits or losses*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Delhivery USA that have not been accounted for by our Company in the Restated Financial Statements.

### **9. Delhivery Robotics LLC (“Delhivery Robotics”)**

#### *Corporate Information*

Delhivery Robotics was incorporated as a limited liability company on August 23, 2021 under the Limited Liability Company Act of Delaware with the Secretary of State, Division of Corporation, State of Delaware, U.S.A. The registered office of Delhivery Robotics is at 16192 Coastal Highway, Lewes, Delaware 19958, County of Sussex. The file number of Delhivery Robotics is 6185023. The principal business of Delhivery Robotics is, among other initiatives, development of technology, as authorised under its constitutional documents.

#### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of Delhivery Robotics is USD 700,000 divided into 700,000 equity shares of USD 1 each. The issued, subscribed and paid-up equity share capital of Delhivery Robotics is USD 700,000 divided into 700,000 equity shares of USD 1 each.

Our Subsidiary, Delhivery Singapore Pte. Ltd. holds 700,000 equity shares aggregating to 100% of the total equity shareholding of Delhivery Robotics.

#### *Amount of accumulated profits or losses*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Delhivery Robotics that have been accounted for by our Company in the Restated Financial Statements.

## **10. Delhivery Singapore Pte. Ltd. (“Delhivery Singapore”)**

### *Corporate Information*

Delhivery Singapore was incorporated as a private company limited by Shares on August 2, 2021 under the Companies Act of Singapore with the Assistant Registrar of Companies & Business Names, Accounting and Corporate Regulatory Authority, Singapore. The registered office of Delhivery Singapore Pte. Ltd. is at 8, Cross Street, #24-03/04, Manulife Tower, Singapore 048424. The unique entity number of Delhivery Singapore is 202126717W. The principal business of Delhivery Singapore is to, among other initiatives, hold investments, as authorised under its constitutional documents.

### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the issued share capital of Delhivery Singapore is 2,000,000 divided into 2,000,000 ordinary shares of USD 1 each.

Our Company holds 2,000,000 equity shares aggregating to 100% of the total equity shareholding of Delhivery Singapore.

### *Amount of accumulated profits or losses*

As on the date of this Draft Red Herring Prospectus, there are no accumulated profits or losses of Delhivery Singapore that have not been accounted for by our Company in the Restated Financial Statements.

## OUR MANAGEMENT

Under our Articles of Association, our Company is authorised to have up to 15 Directors. Effective from the date of listing and trading of our Equity Shares pursuant to this Offer, Part B of our Articles of Association shall stand automatically terminated and simultaneously, Part A of our Articles of Association will become automatically effective, in accordance with which our Company will be authorised to have up to 15 Directors. As on the date of this Draft Red Herring Prospectus, we have 11 Directors on our Board, comprising 3 Executive Directors, 3 Non-Executive Nominee Directors and 5 Non-Executive Independent Directors, including one woman Director. Additionally, FedEx shall have the right to appoint a director to our Board (which nominee shall initially be Donald F. Colleran), subject to consummation of FedEx's investment in our Company and related transactions upon satisfaction of all closing conditions including the receipt of requisite regulatory approval. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

### Our Board

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus:

Name, Designation, Address, Occupation, Date of Birth, Term Period of Directorship and DIN	Age (years)	Other Directorships
<p><b>Deepak Kapoor</b></p> <p><i>Designation:</i> Chairman and Non-Executive Independent Director</p> <p><i>Address:</i> K-42, NDSE-2, Andrewsganj S.O., South Delhi, Delhi 110049, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of birth:</i> January 7, 1959</p> <p><i>Term:</i> Five years with effect from October 1, 2021</p> <p><i>Period of Directorship:</i> Since November 22, 2017</p> <p><i>DIN:</i> 00162957</p>	62	<p><i>Indian companies</i></p> <ol style="list-style-type: none"> <li>1. Tata Steel Limited</li> <li>2. HCL Technologies Limited</li> <li>3. Nayara Energy Limited</li> </ol> <p><i>Foreign companies</i></p> <ol style="list-style-type: none"> <li>1. Tata Steel Minerals Canada Limited</li> </ol>
<p><b>Sahil Barua</b></p> <p><i>Designation:</i> Managing Director and Chief Executive Officer</p> <p><i>Address:</i> House No. 367/4, B5 Plot No., Villa No. 9, Salvador Do Mundo Bardez, North Goa 403101 Goa, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of birth:</i> December 25, 1984</p> <p><i>Term:</i> Five years with effect from October 13, 2021</p> <p><i>Period of Directorship:</i> Since December 19, 2011</p> <p><i>DIN:</i> 05131571</p>	36	<p><i>Indian companies</i></p> <p>Nil</p> <p><i>Foreign companies</i></p> <ol style="list-style-type: none"> <li>1. Delhivery HK Pte. Ltd</li> <li>2. Delhivery USA LLC</li> </ol>
<p><b>Sandeep Kumar Barasia</b></p> <p><i>Designation:</i> Executive Director and Chief Business Officer</p> <p><i>Address:</i> C 77, 3<sup>rd</sup> Floor, Panchsheel Enclave, Delhi 110017, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of birth:</i> September 22, 1972</p>	49	<p><i>Indian companies</i></p> <ol style="list-style-type: none"> <li>1. Creative Hortifarms Private Limited</li> <li>2. Mumtaz Hotels Limited</li> <li>3. The Barasia Company Private Limited</li> </ol> <p><i>Foreign companies</i></p>



<b>Name, Designation, Address, Occupation, Date of Birth, Term Period of Directorship and DIN</b>	<b>Age (years)</b>	<b>Other Directorships</b>
<p><i>Term:</i> Five years with effect from October 13, 2021</p> <p><i>Period of Directorship:</i> Since July 1, 2015</p> <p><i>DIN:</i> 01432123</p>		1. Delhivery Corp Limited
<p><b>Kapil Bharati</b></p> <p><i>Designation:</i> Executive Director and Chief Technology Officer</p> <p><i>Address:</i> 295 DDA Flats, Gulmohar Enclave, Andrewsganj S.O., South Delhi, Delhi 110049, India</p> <p><i>Occupation:</i> Business</p> <p><i>Date of birth:</i> May 11, 1978</p> <p><i>Term:</i> Five years with effect from October 13, 2021 and liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since August 19, 2021</p> <p><i>DIN:</i> 02227607</p>	43	<p><i>Foreign companies</i></p> <p>1. Delhivery Robotics LLC</p>
<p><b>Agus Tandiono</b></p> <p><i>Designation:</i> Non-Executive Nominee Director</p> <p><i>Address:</i> Flat C, 19/F, Block 3, 14 Tregunter Path, the Peak, Hong Kong</p> <p><i>Occupation:</i> Service</p> <p><i>Date of birth:</i> August 8, 1971</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since November 28, 2019</p> <p><i>DIN:</i> 08577542</p>	50	<p><i>Indian companies</i></p> <p>Nil</p> <p><i>Foreign companies</i></p> <p>Nil</p>
<p><b>Munish Ravinder Varma</b></p> <p><i>Designation:</i> Non-Executive Nominee Director</p> <p><i>Address:</i> 36, Hamilton Terrace, St. John Wood, London, United Kingdom</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of birth:</i> September 25, 1971</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since March 7, 2019</p> <p><i>DIN:</i> 02442753</p>	50	<p><i>Indian companies</i></p> <p>1. PB Fintech Limited 2. SVF Investment Advisers (India) Private Limited 3. Brainbees Solutions Private Limited 4. One 97 Communications Limited</p> <p><i>Foreign companies</i></p> <p>1. OakNorth Holdings Limited 2. SVF India Holdings (UK) Limited 3. SVF Game (Cayman) Limited 4. SVF Investment Corp. 2</p>
<p><b>Suvir Suren Sujan</b></p> <p><i>Designation:</i> Non-Executive Nominee Director</p>	50	<p><i>Indian companies</i></p> <p>1. Nexus India Capital Advisors Private Limited 2. Snapdeal Private Limited</p>

<b>Name, Designation, Address, Occupation, Date of Birth, Term Period of Directorship and DIN</b>	<b>Age (years)</b>	<b>Other Directorships</b>
<p><i>Address:</i> 6 AB, Floor 6, Plot 89, Andromeda CHS, Khan Abdul Gaffar Khan Marg, Worli Sea Face, Worli, Mumbai 400025 Maharashtra, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of birth:</i> September 20, 1971</p> <p><i>Term:</i> Liable to retire by rotation</p> <p><i>Period of Directorship:</i> Since September 9, 2014</p> <p><i>DIN:</i> 01173669</p>		
<p><b>Kalpna Jaisingh Morparia</b></p> <p><i>Designation:</i> Non-Executive Independent Director</p> <p><i>Address:</i> A52, Ahuja Tower CHS, Rajabhau Desai Marg, Behind ICICI Prudential, Prabhadevi, Mumbai 400025 Maharashtra, India</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of birth:</i> May 30, 1949</p> <p><i>Term:</i> Five years with effect from October 13, 2021</p> <p><i>Period of Directorship:</i> Since October 13, 2021</p> <p><i>DIN:</i> 00046081</p>	72	<p><i>Indian companies</i></p> <ol style="list-style-type: none"> <li>1. Dr. Reddy's Laboratories Limited</li> <li>2. Hindustan Unilever Limited</li> </ol> <p><i>Foreign companies</i></p> <ol style="list-style-type: none"> <li>1. Philip Morris International Inc.</li> </ol>
<p><b>Romesh Sobti</b></p> <p><i>Designation:</i> Non-Executive Independent Director</p> <p><i>Address:</i> 10 S/F, Paschim Marg, Vasant Vihar, New Delhi, Delhi 110057 India</p> <p><i>Occupation:</i> Professional</p> <p><i>Date of birth:</i> March 24, 1950</p> <p><i>Term:</i> Five years with effect from October 1, 2021</p> <p><i>Period of Directorship:</i> Since October 1, 2021</p> <p><i>DIN:</i> 00031034</p>	71	<p><i>Indian companies</i></p> <ol style="list-style-type: none"> <li>1. Aditya Birla Capital Limited</li> <li>2. Maple Infra Invit Investment Manager Private Limited</li> <li>3. Olive Bar &amp; Kitchen Private Limited</li> <li>4. Adani Green Energy Limited</li> </ol> <p><i>Foreign companies</i></p> <p>Nil</p>
<p><b>Saugata Gupta</b></p> <p><i>Designation:</i> Non-Executive Independent Director</p> <p><i>Address:</i> B-1002, Rustomjee Oriana, MIG Colony, Gandhi Nagar, Bandra East, Mumbai 400051 Maharashtra, India</p> <p><i>Occupation:</i> Service</p> <p><i>Date of birth:</i> August 10, 1967</p> <p><i>Term:</i> Five years with effect from October 1, 2021</p> <p><i>Period of Directorship:</i> Since October 1, 2021</p> <p><i>DIN:</i> 05251806</p>	54	<p><i>Indian companies</i></p> <ol style="list-style-type: none"> <li>1. Marico Limited</li> <li>2. Halite Personal Care India Private Limited</li> <li>3. Marico Innovation Foundation</li> <li>4. Parachute Kalpavriksha Foundation</li> <li>5. JSW Paints Private Limited</li> <li>6. Ashok Leyland Limited</li> </ol> <p><i>Foreign companies</i></p> <ol style="list-style-type: none"> <li>1. Marico Bangladesh Limited</li> <li>2. Marico South East Asia Corporation</li> </ol>

Name, Designation, Address, Occupation, Date of Birth, Term Period of Directorship and DIN	Age (years)	Other Directorships
		3. Marico South Africa Consumer Care (Pty) Limited 4. Marico Middle East FZE
<b>Srivatsan Rajan</b>	57	<i>Indian companies</i>
<i>Designation:</i> Non-Executive Independent Director		Nil
<i>Address:</i> Villa No. 6, World Spa East, Sector-30/41, Gurugram 122001 Haryana, India		<i>Foreign companies</i>
<i>Occupation:</i> Professional		Nil
<i>Date of birth:</i> June 12, 1964		
<i>Term:</i> Five years with effect from October 1, 2021		
<i>Period of Directorship:</i> Since March 1, 2016		
<i>DIN:</i> 00754512		

#### Arrangement or Understanding with major shareholders, customers, suppliers or others

Apart from (i) Agus Tandiono, nominated to our Board by Canada Pension Plan Investment Board; (ii) Munish Ravinder Varma, nominated to our Board by SVF Doorbell (Cayman) Ltd; and (iii) Suvir Suren Sujana nominated to our Board by jointly Nexus Ventures III Ltd. and Nexus Opportunity Fund Ltd., none of our Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. In addition, FedEx shall have the right to appoint a director to our Board (which nominee shall initially be Donald F. Colleran), subject to consummation of FedEx's investment in our Company and related transactions upon satisfaction of all closing conditions including the receipt of requisite regulatory approval. For further details, please see "*History and Certain Corporate Matters – Shareholders' agreement*" on page 194.

#### Brief profiles of our Directors

**Deepak Kapoor** is the Chairman and Non-Executive Independent Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi and was conferred a doctorate in philosophy by the Amity University, Uttar Pradesh. He is a fellow member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has been certified as a Fraud Examiner by the Association of Certified Fraud Examiners. He was previously associated with PricewaterhouseCoopers Private Limited as Chairman and Chief Executive Officer.

**Sahil Barua** is the Managing Director and Chief Executive Officer of our Company. 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 has previously been associated with Bain & Company India Private Limited as Consultant.

**Sandeep Kumar Barasia** is an Executive Director and Chief Business Officer of our Company. He holds a bachelor's degree in commerce from the Bond University and a master's degree in business administration from the London Business School, University of London. He was previously associated with Bain & Company India Private Limited as a Vice-President (Partner).

**Kapil Bharati** is an Executive Director and Chief Technology Officer of our Company. He holds a bachelor's degree in technology (mechanical engineering) from the Indian Institute of Technology Delhi. He has previously served as Founder and Chief Technology Officer at Athena Information Solutions Private Limited and as Senior Manager Technology at Sapient and Publicis Sapient.

**Agus Tandiono** is a Non-Executive Nominee Director of our Company as a nominee of Canada Pension Plan Investment Board. He holds a Master of Business Administration degree from the University of Chicago and is a

Chartered Financial Analyst from the Institute of Chartered Financial Analysts. He holds the position of GLT-Managing Director, Head of Fundamental Equities Asia in the Active Equities department at CPPIB Asia Inc.

**Munish Ravinder Varma** is a Non-Executive Nominee Director of our Company as a nominee of SVF Doorbell (Cayman) Ltd. He has completed his master's degree in business administration from the Cornell University. He currently serves as Managing Partner at SoftBank Investment Advisers. He was previously associated with Deutsche Bank AG.

**Suvir Suren Sujan** is a Non-Executive Nominee Director of our Company as a nominee of Nexus Ventures III Ltd. and Nexus Opportunity Fund Ltd. 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. He was previously associated with the Boston Consulting Group as Consultant and with Baazee.com India Private Limited as its Co-CEO and Director.

**Kalpna Jaisingh Morparia** is a Non-Executive Independent Director of our Company. She holds a bachelor's degree of science and a bachelor's degree of law from the University of Bombay. She was previously associated with J.P. Morgan India Private Limited as Managing Director and with ICICI Bank Limited as Joint Managing Director.

**Romesh Sobti** is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in electrical engineering from Jabalpur University and a diploma in corporate laws and secretarial practice from the Indian Law Institute. He was previously associated with IndusInd Bank Limited as Managing Director and Chief Executive Officer.

**Saugata Gupta** is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in technology (honours) in chemical engineering from the Indian Institute of Technology Kharagpur and a post graduate diploma in management from the Indian Institute of Management Bangalore. He is the Managing Director and Chief Executive Officer of Marico Limited.

**Srivatsan Rajan** is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in science from the Osmania University, Hyderabad, a post graduate diploma in management from the Indian Institute of Management Calcutta and a master's degree in business administration from the Wharton School, University of Pennsylvania, U.S.A. He was previously associated with NIIT Limited as Consultant and with Digital Equipment (India) Limited, a subsidiary of Digital Equipment Corporation, USA, as Business Development Manager. He was last associated with Bain & Company, Inc.

#### **Relationship between Directors and Key Managerial Personnel**

None of our Directors are related to each other or to our Key Managerial Personnel.

#### **Terms of Appointment of our Executive Directors**

##### **Sahil Barua**

Pursuant to a shareholders' resolution dated October 15, 2021 and employment agreement dated October 13, 2021, Sahil Barua is entitled to the following remuneration and other employee benefits:

- a. Fixed salary with merit based annual increments as may be approved by our Nomination and Remuneration Committee/ Board in the range of ₹25.00 million per annum to ₹100.00 million per annum;
- b. Performance related pay and annual bonus: Performance incentive / annual bonus, based on performance parameters as may be decided by our Nomination and Remuneration Committee/ Board; and
- c. Additional benefits: gratuity, medical insurance and other perquisites/ benefits as per our Company's policy.

In Fiscal 2021, he received an aggregate compensation of ₹30.31 million (including ₹3.44 million accrued as variable pay for the period between October 1, 2018 and December 31, 2019) from our Company. Further, for the period between January 1, 2020 and March 31, 2021, ₹4.88 million accrued as variable pay, which was paid in Fiscal 2022.

##### **Sandeep Kumar Barasia**

Pursuant to a shareholders' resolution dated October 15, 2021 and employment agreement dated October 13, 2021, Sandeep Kumar Barasia is entitled to the following remuneration and other employee benefits:

- a. Fixed salary with merit based annual increments as may be approved by our Nomination and Remuneration Committee/ Board in the range of ₹40.00 million per annum to ₹120.00 million per annum.
- b. Performance related pay and annual bonus: Performance incentive / annual bonus, based on performance parameters as may be decided by our Nomination and Remuneration Committee/ Board; and
- c. Additional benefits: gratuity, medical insurance and other perquisites/ benefits as per our Company's policy.

In Fiscal 2021, he received an aggregate compensation of ₹36.54 million (including ₹3.45 million accrued as variable pay for the period between October 1, 2018 and December 31, 2019) from our Company. Further, for the period between January 1, 2020 and March 31, 2021, ₹5.25 million accrued as variable pay, which was paid in Fiscal 2022.

### **Kapil Bharati**

Pursuant to a shareholders' resolution dated October 15, 2021 and employment agreement dated October 13, 2021, Kapil Bharati is entitled to the following remuneration and other employee benefits:

- a. Fixed salary with merit based annual increments as may be approved by our Nomination and Remuneration Committee/ Board in the range of ₹25.00 million per annum to ₹100.00 million per annum.
- b. Performance related pay and annual bonus: Performance incentive / annual bonus, based on performance parameters as may be decided by our Nomination and Remuneration Committee/ Board; and
- c. Additional benefits: gratuity, medical insurance and other perquisites/ benefits as per our Company's policy.

In Fiscal 2021, he received an aggregate compensation of ₹25.13 million (including ₹2.87 million accrued as variable pay for the period between October 1, 2018 and December 31, 2019) from our Company. Further, for the period between January 1, 2020 and March 31, 2021, ₹4.13 million accrued as variable pay, which was paid in Fiscal 2022.

### **Remuneration to Non-Executive Directors and Independent Directors**

Pursuant to resolutions passed by our Board on October 13, 2021, our Non-Executive Independent Directors are each entitled to receive a fixed remuneration as approved by our Board as disclosed below:

Name of our Director	Fixed annual remuneration	<i>(in ₹ million)</i>
Deepak Kapoor		7.50
Kalpna Jaisingh Morparia		6.50
Romesh Sobti		6.50
Saugata Gupta		6.50
Srivatsan Rajan		6.50

Further, our Non-Executive Directors are each entitled to receive a sitting fee of ₹0.10 million for attending each meeting of our Board and the various committees of our Board.

None of our Non-Executive Directors were paid any sitting fees or compensation in Fiscal 2021, except as disclosed below:

Name of our Director	Compensation paid	<i>(in ₹ million)</i>
Deepak Kapoor		6.50
Srivatsan Rajan		6.50

### **Bonus or profit sharing plan for the Directors**

Our Company does not have any bonus or profit sharing plan for our Directors.

### **Shareholding of our Directors**

Our Articles of Association do not require our Directors to hold any qualification shares.

Other than as disclosed under “*Capital Structure – Notes to Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company*” on page 102, none of our Directors hold any Equity Shares as on the date of this Draft Red Herring Prospectus.

#### **Service contracts with Directors**

There are no service contracts entered into by our Directors with our Company or its Subsidiaries which provide for benefits upon termination of employment.

#### **Contingent and deferred compensation payable to Directors**

There is no contingent or deferred compensation payable to our Directors, which does not form part of their remuneration.

#### **Remuneration paid or payable to our Directors from our Subsidiaries or Associates**

None of our Directors has been paid any remuneration from our Subsidiaries or Associates, including any contingent or deferred compensation accrued for Fiscal 2021.

#### **Interest of Directors**

Our Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any, payable to them as well as sitting fees, if any, payable to them for attending meetings of our Board or committees thereof and any commission payable to them. Our Directors may also be interested to the extent of Equity Shares and stock options, if any, held by them or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees pursuant to the Offer and any dividend and other distributions payable in respect of such Equity Shares.

Further, as on the date of this Draft Red Herring Prospectus, our Executive Director, Sandeep Kumar Barasia is interested to the extent of loan availed from our Company aggregating to ₹51.40 million, out of which ₹26.00 million is outstanding as on October 30, 2021.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as, a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the promotion or formation of our Company.

#### *Interest in land and property*

Our Directors are not interested in any property acquired or proposed to be acquired by our Company.

#### *Interest in promotion or formation of our Company*

None of our Directors have any interest in the promotion or formation of our Company as on the date of this Draft Red Herring Prospectus.

#### *Business interest*

Except as stated in “*Other Financial Information – Related Party Transactions*” on page 455, our Directors do not have any other business interest in our Company.

#### **Directorships of Directors in listed companies**

None of our Directors are, or for the five years prior to the date of this Draft Red Herring Prospectus, have been on the board of directors of any listed company whose shares have been/ were suspended from being traded on any of the stock exchanges, during his/ her tenure.

None of our Directors has been or is a director on the board of directors of any listed company which has been/ was delisted from any stock exchange(s), during his/ her tenure.

## Changes in our Board during the last three years

The changes in our Board during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below:

Director	Date of change <sup>(1)</sup>	Reasons
Munish Ravinder Varma	March 7, 2019	Appointment as non-executive additional director <sup>(2)</sup>
Sumer Juneja	March 7, 2019	Appointment as non-executive additional director <sup>(2)</sup>
Yanxiang Lu	March 14, 2019	Appointment as non-executive additional director <sup>(3)</sup>
Tang Bin	March 14, 2019	Resignation as nominee director
Agus Tandiono	November 28, 2019	Appointment as non-executive additional director <sup>(4)</sup>
Sudhir Narayankutty Variyar	November 28, 2019	Resignation as nominee director
Yanxiang Lu	June 4, 2020	Resignation as nominee director
Jiang Bo	June 25, 2020	Appointment as non-executive additional director <sup>(4)</sup>
Kapil Bharati	August 19, 2021	Appointment as additional executive director <sup>(5)</sup>
Anjali Bansal	September 16, 2021	Resignation as non-executive director
Hanne Birgitte Breinbjerg Sorensen	October 1, 2021	Resignation as non-executive director
Romesh Sobti	October 1, 2021	Appointment as non-executive additional director <sup>(6)</sup>
Saugata Gupta	October 1, 2021	Appointment as non-executive additional director <sup>(6)</sup>
Deepak Kapoor	October 1, 2021	Reappointed as independent director <sup>(6)</sup>
Srivatsan Rajan	October 1, 2021	Reappointed as independent director <sup>(6)</sup>
Deep Verma	October 13, 2021	Resignation as nominee director
Jiang Bo	October 13, 2021	Resignation as nominee director
Neeraj Bharadwaj	October 13, 2021	Resignation as nominee director
Kalpana Jaisingh Morparia	October 13, 2021	Appointment as non-executive independent director <sup>(6)</sup>
Gautam Sinha	October 22, 2021	Resignation as nominee director
Sumer Juneja	October 22, 2021	Resignation as nominee director

<sup>(1)</sup> Does not include regularisation by our Shareholders or change in designation.

<sup>(2)</sup> Regularised as non-executive nominee directors pursuant to a resolution passed by our Shareholders on March 8, 2019.

<sup>(3)</sup> Regularised as non-executive nominee director pursuant to a resolution passed by our Shareholders on September 30, 2019.

<sup>(4)</sup> Regularised as non-executive nominee directors pursuant to resolutions passed by our Shareholders on September 30, 2020.

<sup>(5)</sup> Regularised as executive director pursuant to a resolution passed by our Shareholders on August 19, 2021.

<sup>(6)</sup> Regularised as non-executive independent directors pursuant to resolutions passed by our Shareholders on October 15, 2021.

## Borrowing powers

Pursuant to our Articles of Association, our Board may from time to time, at its discretion, raise or borrow funds or any sums of money for and on behalf of our Company from our Shareholders or from other persons, companies or banks, subject to applicable provisions of the Companies Act.

## Corporate governance

As on the date of this Draft Red Herring Prospectus, we have 11 Directors on our Board, comprising 3 Executive Directors, 3 Non-Executive Nominee Directors and 5 Non-Executive Independent Directors, including 1 woman Director. Additionally, Srivatsan Rajan, Independent Director on our Board has also been appointed as an independent director on the board of our Material Subsidiary, Spoton Logistics Private Limited. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the applicable requirements of SEBI Listing Regulations and the Companies Act.

## Board committees

Our Company has constituted the following committees of our Board in terms of the SEBI Listing Regulations and the Companies Act:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders' Relationship Committee;
- (d) Corporate Social Responsibility Committee; and
- (e) Risk Management Committee.

### ***Audit Committee***

The Audit Committee was reconstituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2021. The Audit Committee is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The Audit Committee currently consists of:

- (a) Romesh Sobti, Non-Executive Independent Director (*Chairperson*);
- (b) Srivatsan Rajan, Non-Executive Independent Director (*Member*); and
- (c) Agus Tandiono, Non-Executive Nominee Director (*Member*).

The Company Secretary shall act as the secretary to the Audit Committee.

### ***Scope and terms of reference***

The terms of reference of the Audit Committee shall include the following:

- a) Oversight of financial reporting process and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- b) Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. Matters required to be included in the directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions; and
  - vii. Modified opinion(s) in the draft audit report.
- e) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- f) Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- h) Approval of any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the Company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with internal auditors on any significant findings and follow-up there on;
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) Reviewing the functioning of the whistleblower mechanism;



- s) Monitoring the end use of funds raised through public offers and related matters;
- t) Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
- u) Approval of appointment of the chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- v) Reviewing the utilisation of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding ₹1,000 million or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
- w) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- x) Reviewing the compliances of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
- y) 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 Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### **Powers of the Audit Committee**

The Audit Committee shall have powers, including the following:

- a) To investigate any activity within its terms of reference;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice; and
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **Reviewing Powers**

The Audit Committee shall mandatorily review the following information:

- a) Management's discussion and analysis of financial condition and results of operations;
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c) Management letters/ letters of internal control weaknesses issued by the statutory auditors;
- d) Internal audit reports relating to internal control weaknesses; and
- e) The appointment, removal and terms of remuneration of the chief internal auditor; and
- f) Statement of deviations in terms of the SEBI Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the SEBI Listing Regulations; and
  - b. annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of the SEBI Listing Regulations.

### ***Nomination and Remuneration Committee***

The Nomination and Remuneration Committee was reconstituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2021. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee currently consists of:

- (a) Kalpana Jaisingh Morparia, Non-Executive Independent Director (*Chairperson*);
- (b) Deepak Kapoor, Chairman, Non-Executive Independent Director (*Member*);
- (c) Saugata Gupta, Non-Executive Independent Director (*Member*); and
- (d) Suvir Suren Sujjan, Non-Executive Nominee Director (*Member*).

### ***Scope and terms of reference***

The terms of reference of the Nomination and Remuneration Committee shall include the following:

- a) 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;
- b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - i. use the services of an external agencies, if required;
  - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii. consider the time commitments of the candidates.
- c) Formulating of criteria for evaluation of independent directors and the Board;
- d) Devising a policy on Board diversity;
- e) 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);
- f) Whether to extend or continue the term of appointment of the independent directors, on the basis of the report of performance evaluation of independent directors;
- g) Recommend to the Board, all remuneration, in whatever form, payable to senior management; The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
  - i. The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
  - ii. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - iii. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- h) Perform such functions as are required to be performed by the Nomination and Remuneration Committee under the SEBI (Share Based Employee Benefits) Regulations, 2014, including the following:
  - i. Administering the ESOP Schemes;
  - ii. Determining the eligibility of employees to participate under the ESOP Schemes;
  - iii. Granting options to eligible employees and determining the date of grant;
  - iv. Determining the number of options to be granted to an employee;
  - v. Determining the exercise price under the ESOP Schemes; and
  - vi. Construing and interpreting the ESOP Schemes and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Schemes, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Schemes.
- i) Frame suitable policies and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended, by the trust, the Company and its employees, as applicable.
- j) Carrying out any other activities as may be delegated by the Board and functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### ***Stakeholders' Relationship Committee***

The Stakeholders' Relationship Committee was constituted pursuant to a resolution passed by our Board at its meeting held on October 13, 2021. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

- (a) Saugata Gupta, Non-Executive Independent Director (*Chairperson*);
- (b) Srivatsan Rajan, Non-Executive Independent Director (*Member*); and
- (c) Kapil Bharati, Executive Director and Chief Technology Officer (*Member*).

### *Scope and terms of reference*

The terms of reference of the Stakeholders' Relationship Committee shall include the following:

- a) Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
- b) 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.;
- c) Giving effect to allotment of Equity Shares, approval of transfer or transmission of Equity Shares, debentures or any other securities;
- d) Issue of duplicate certificates and new certificates on split/ consolidation/ renewal, etc.;
- e) Review of measures taken for effective exercise of voting rights by shareholders;
- f) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
- g) 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
- h) Carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### ***Corporate Social Responsibility Committee***

Our Corporate Social Responsibility Committee was reconstituted pursuant to a resolution approved by our Board on October 13, 2021. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act. The Corporate Social Responsibility Committee currently consists of:

- a) Kalpana Jaisingh Morparia, Non-Executive Independent Director (*Chairperson*);
- b) Sandeep Kumar Barasia, Executive Director and Chief Business Officer (*Member*); and
- c) Sahil Barua, Managing Director and Chief Executive Officer (*Member*).

The Corporate Social Responsibility Committee is authorised to perform the following functions:

- a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013;
- b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- c) Monitor the corporate social responsibility policy of the Company and its implementation from time to time;
- d) Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/ or as may be required under applicable law, as and when amended from time to time.

### ***Risk Management Committee***

Our Risk Management Committee was constituted pursuant to a resolution approved by our Board on October 13, 2021. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The Risk Management Committee currently consists of:

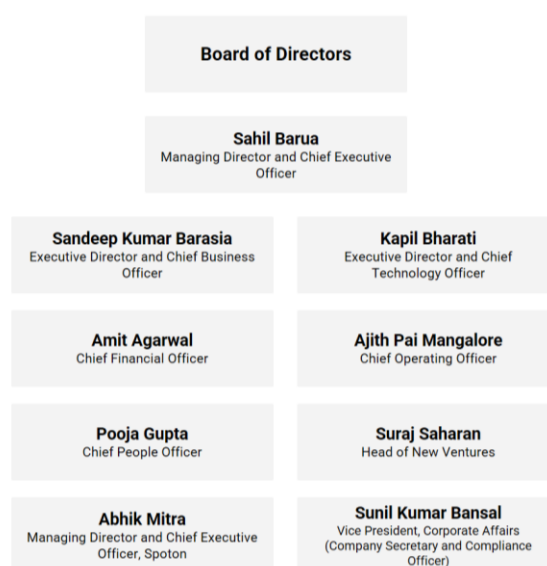
- a) Srivatsan Rajan, Non-Executive Independent Director (*Chairperson*);
- b) Romesh Sobti, Non-Executive Independent Director (*Member*);
- c) Kapil Bharati, Executive Officer and Chief Technology Officer (*Member*); and
- d) Ajith Pai Mangalore, Chief Operating Officer (*Member*).

The Risk Management Committee is authorised to perform the following functions:

- a) Formulation of a detailed risk management policy which shall include: (a) 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 Risk Management Committee; (b) measures for risk

- mitigation including systems and processes for internal control of identified risks; and (c) business continuity plan;
- b) Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
  - c) Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
  - d) Periodically review 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;
  - e) Keep the Board of the Company informed about the nature and content of its discussions, recommendations and actions to be taken;
  - f) Review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
  - g) To implement and monitor policies and/ or processes for ensuring cyber security; and
  - h) 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.

## Management Organisation Structure



## Key Managerial Personnel

In addition to Sahil Barua, Sandeep Kumar Barasia, and Kapil Bharati, whose details are provided above in “*Brief Profiles of our Directors*”, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below.

**Ajith Pai Mangalore** is the Chief Operating Officer of our Company. He has been associated with our Company since April 6, 2013. He holds a bachelor’s degree of engineering 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 was previously associated with the Lodha Group as Associate Vice President - Procurement. In Fiscal 2021, he received an aggregate compensation of ₹24.79 million (including ₹2.54 million accrued as variable pay for the period between October 1, 2018 and December 31, 2019) from our Company. Further, for the period between January 1, 2020 and March 31, 2021, ₹4.13 million accrued as variable pay, which was paid in Fiscal 2022.

**Amit Agarwal** is the Chief Financial Officer of our Company. He has been associated with our Company since August 4, 2012. He holds a master’s degree (five year integrated programme) in science (chemistry) from the Indian Institute of Technology Kanpur. He was previously associated with Inductis India Private Limited and Insight Guru Inc. In Fiscal 2021, he received an aggregate compensation of ₹13.79 million (including ₹1.66 million accrued as variable pay for the period between October 1, 2018 and December 31, 2019) from our

Company. Further, for the period between January 1, 2020 and March 31, 2021, ₹2.50 million accrued as variable pay, which was paid in Fiscal 2022.

**Pooja Gupta** is the Chief People Officer of our Company. She has been associated with our Company since April 1, 2021. She holds a bachelor's degree in arts from the Bangalore University and a post graduate diploma in personnel management and industrial relations from XLRI, Jamshedpur. She was previously associated with SAP Labs India Private Limited, Myntra Designs Private Limited and Kalaari Capital Advisors Private Limited. Since Pooja Gupta joined our Company on April 1, 2021, she did not receive any compensation from our Company in Fiscal 2021.

**Sunil Kumar Bansal** is the Vice President - Corporate Affairs, Company Secretary and Compliance Officer of our Company. He has been associated with our Company since August 23, 2021. He is a Member of the Institute of Cost and Works Accountants of India and is also a Fellow Member of the Institute of Company Secretaries of India. He was previously associated with Sneha Kinetic Power Projects Private Limited, IDEB Projects Private Limited, SKS Microfinance Limited, LML Limited, GMR Infrastructure Limited and Global Health Limited. Since Sunil Kumar Bansal joined our Company on August 23, 2021, he did not receive any compensation from our Company in Fiscal 2021.

**Suraj Saharan** is the Head of New Ventures of our Company. He has been associated with our Company since December 20, 2011. He holds a bachelor's degree in technology from the Indian Institute of Technology, Bombay. He was previously associated with Bain & Company India Private Limited and ICICI Lombard Insurance Company Limited. Since Suraj Saharan was on a sabbatical leave in Fiscal 2021, he did not receive any compensation from our Company for Fiscal 2021. However, he received ₹1.25 million accrued as variable pay for the period between October 1, 2018 and December 31, 2019, which was paid from our Company in Fiscal 2021.

**Abhik Mitra** is the Managing Director and Chief Executive Officer of our Material Subsidiary. He has been associated with our Material Subsidiary since April 1, 2012. He holds a bachelor's degree in technology (chemical engineering) from the Benaras Hindu University, Varanasi. He was previously associated with TNT India Private Limited, RPG Enterprises Limited and Hindustan Unilever Limited. In Fiscal 2021, he received an aggregate compensation of ₹19.06 million from our Material Subsidiary.

#### **Contingent or deferred compensation**

No contingent or deferred compensation is payable to any of our Key Managerial Personnel for Fiscal 2021.

#### **Status of Key Managerial Personnel**

Except for Abhik Mitra, who is a permanent employee of our Material Subsidiary, all our Key Managerial Personnel are permanent employees of our Company.

#### **Relationship amongst Key Managerial Personnel**

None of our Key Managerial Personnel have any family relationship with each other.

#### **Bonus or profit sharing plan for the Key Managerial Personnel**

There is no profit sharing plan for the Key Managerial Personnel. Except for the Executive Directors, who are entitled to performance incentive/ bonus as approved by our Nomination and Remuneration Committee/ Board, and Abhik Mitra, our Company makes annual variable payments to the Key Managerial Personnel, as part of the variable pay component of their remuneration, in accordance with their terms of appointment. In accordance with the terms of acquisition of Spoton by our Company, Abhik Mitra is entitled to a one-time deferred bonus of ₹45.21 million which shall be payable to him upon the expiry of two years from August 24, 2021, subject to: (i) him not having breached any agreements executed with our Company and/ or Spoton, and (ii) adjustments, if any, for payments required to be made by him to our Company or Spoton.

#### **Shareholding of Key Managerial Personnel**

Other than as provided under “*Capital Structure – Shareholding of our Directors and Key Managerial Personnel in our Company*” on page 102, none of our Key Managerial Personnel hold Equity Shares as on the date of this Draft Red Herring Prospectus.

### Attrition of Key Managerial Personnel

The attrition of Key Managerial Personnel is not high in our Company compared to the industry.

### Service Contracts with Key Managerial Personnel

Our Key Managerial Personnel are governed by the terms of their appointment letters/ employment contracts and have not entered into any other service contracts with our Company. Except as stated below in respect of Abhik Mitra, no officer of our Company is entitled to any benefit upon termination of employment or superannuation, other than statutory benefits.

Pursuant to the terms of the agreement dated September 2, 2021 executed among our Company, Spoton and Abhik Mitra, in the event that Abhik Mitra ceases to be an employee of our Company or Spoton (i) at any time prior to one year from August 24, 2021, Abhik Mitra shall receive a gross amount equal to ₹98.05 million on the date of cessation of employment, from our Company, or (ii) at any time after one year but prior to two years from August 24, 2021, Abhik Mitra shall receive a gross amount equal to ₹49.03 million on the date of cessation of employment, by our Company.

### Interest of Key Managerial Personnel

Other than as provided in “*Our Management – Interest of Directors*” and to the extent of the remuneration, benefits, interest of receiving dividends on the Equity Shares held by them, if any, reimbursement of expenses incurred in the ordinary course of business, our Key Managerial Personnel may be interested to the extent of employee stock options that may be granted to them from time to time under the ESOP Schemes and other employee stock option schemes formulated by our Company from time to time.

The details of the shareholding of our Key Managerial Personnel and the ESOPs granted to our Key Managerial Personnel, outstanding as on the date of this Draft Red Herring Prospectus, are set out below:

Name	No. of Equity Shares	Granted Options (Not vested as on the date of this Draft Red Herring Prospectus)	Vested Options as on the date of this Draft Red Herring Prospectus	% of pre-Offer equity share capital (%)*#
Sahil Barua	13,622,400	8,668,000	Nil	6.93
Suraj Saharan	11,105,400	758,000	Nil	5.65
Kapil Bharati	6,922,200	1,892,800	Nil	3.52
Ajith Pai Mangalore	5,173,800	1,474,300	81,300	2.63
Sandeep Kumar Barasia	4,683,800	1,562,100	98,800	2.38
Amit Agarwal	3,042,500	1,161,600	Nil	1.55
Pooja Gupta	Nil	950,000	Nil	Nil
Abhik Mitra	Nil	669,700	Nil	Nil
Sunil Kumar Bansal	Nil	25,000	Nil	Nil

\*The percentage is calculated against the total share capital of our Company, including vested ESOPs

# Excludes the impact of conversion of outstanding Preference Shares

### Arrangements and understanding with major shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or any other person.

### Employee stock option schemes

For details of the ESOP Schemes implemented by our Company, see “*Capital Structure – Employee Stock Option Schemes*” on page 105.

### Changes in key managerial personnel during the last three years

The changes in our key managerial personnel during the three years immediately preceding the date of this Draft Red Herring Prospectus are set forth below.

Name	Date of change	Reason
Deepak Manglani	April 15, 2020	Resignation as company secretary
Ajith Pai Mangalore	June 30, 2020	Resignation as chief financial officer
Amit Agarwal	July 1, 2020	Appointment as Chief Financial Officer
Kriti Gupta	August 22, 2020	Appointment as company secretary
Kriti Gupta	June 18, 2021	Resignation as company secretary
Vivek Kumar	June 19, 2021	Appointment as company secretary
Vivek Kumar	September 17, 2021	Resignation as company secretary
Sunil Kumar Bansal	September 17, 2021	Appointment as Company Secretary

### Payment or benefit to Key Managerial Personnel of our Company

Except in respect of Abhik Mitra who was paid an amount of ₹42.27 million by Spoton, our Material Subsidiary, in September 2021 in accordance with the terms of acquisition of Spoton by our Company, no amount or benefit has been paid or given to any officer of our Company within the two years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

## OUR PRINCIPAL SHAREHOLDERS

Our Company is a professionally managed company and does not have an identifiable promoter in terms of SEBI ICDR Regulations and the Companies Act. Consequently, there are no members forming part of the ‘promoter group’ in terms of the SEBI ICDR Regulations.

### Principal Shareholders

1. *Shareholders who control 15% or more of the voting rights in our Company*

As on the date of this Draft Red Herring Prospectus, except for SVF Doorbell (Cayman) Ltd, no other Shareholder controls 15% or more of the voting rights in our Company on a fully diluted basis. For further details, see “*Capital Structure – Notes to the Capital Structure – Details of shareholding of the major Shareholders of our Company*” and “*History and Certain Corporate Matters – Shareholders’ agreement*” on pages 102 and 194, respectively.

2. *Persons who have the right to appoint director(s) on our Board*

Pursuant to the terms of the SHA, read with the Amendment Agreement and the Waiver Letter, till the listing and trading of the Equity Shares of the Company on BSE and NSE or the Long Stop Date (*as defined below*), whichever is earlier, each of (i) (a) Canada Pension Plan Investment Board, and (b) jointly, Nexus Ventures III, Ltd. and Nexus Opportunity Fund Ltd., at each of their sole discretion, have the right to appoint one non-executive, non-independent Director on our Board, (ii) SVF Doorbell (Cayman) Ltd has the right to appoint two non-executive, non-independent Directors on our Board, at its sole discretion, however, pursuant to the Waiver Letter (effective until the earlier of the listing and trading of the Equity Shares of the Company on BSE and NSE or the Long Stop Date), SVF Doorbell (Cayman) Ltd shall exercise its right to appoint only one non-executive, non-independent director, and shall not exercise its right to appoint a second nominee director, and (iii) FedEx Express has the right to appoint a non-executive, non-independent Director on our Board, subject to consummation of FedEx’s investment in our Company and related transactions upon satisfaction of all closing conditions including the receipt of necessary regulatory approval. The Amendment Agreement and the Waiver Letter will stand automatically terminated on the Long Stop date, i.e. the earlier of: (i) November 1, 2022, in the event that the Equity Shares are not listed on the BSE and the NSE by such date, and/or (ii) the date on which the Board, or a committee thereof, decides not to undertake the Offer, and/or (iii) November 30, 2021, in the event that our Company has not filed a draft red herring prospectus in relation to the Offer with SEBI, the BSE and the NSE by such date, and the SHA (as existing prior to execution of the Amendment Agreement) shall immediately and automatically stand reinstated, with full and force, as it stood prior to the Amendment Agreement.

Further, in terms of Part A of our Articles of Association, which will become effective automatically upon the commencement of listing and trading of our Company’s Equity Shares on the Stock Exchanges, subject to approval of the Shareholders of our Company by way of a special resolution in the first general meeting convened after the listing of Equity Shares of our Company on the BSE and the NSE pursuant to the Offer (i) the Board shall at all times consist of not more than 3 (three) directors from the Management Team (defined below) of our Company (the “**Management Team Directors**”), as nominated by the nomination and remuneration committee (“**NRC**”) of the Board, provided that such director shall be a member of the Management Team as of the date of the appointment and shall continue to be a member of the Management Team during the term of their directorship. “Management Team” herein means (a) each of the founders of our Company, being Sahil Barua, Suraj Saharan and Kapil Bharati, severally and not jointly, until such founder is in the employment of our Company and/ or its Subsidiaries in senior executive capacities; and/ or (b) such other “key managerial personnel” of our Company as may be determined by the NRC from time to time and shall include the “key managerial personnel” of our Company identified in the offer documents, and (ii) SVF Doorbell (Cayman) Ltd shall be entitled to nominate one director on the Board, who shall be deemed to be a non-independent director for the purposes of our Company’s Board, for as long as SVF Doorbell (Cayman) Ltd and/or its affiliates continue to hold at least 10% of our Company’s issued and outstanding paid-up share capital on a fully diluted basis. For details, see “*History and Certain Corporate Matters – Shareholders’ agreement*”, “*Our Management*” and “*Main Provisions of the Articles of Association*” on pages 194, 201 and 546 respectively.



## GROUP COMPANY

As per the SEBI ICDR Regulations and the applicable accounting standards, for the purposes of identification of group companies, our Company has considered companies (other than our Subsidiaries) with which there were related party transactions as per Ind AS 24 as disclosed in the Restated Financial Statements and such other companies considered material for the purposes of disclosure as a group company in connection with the Offer, as identified in accordance with the Materiality Policy.

Accordingly, in terms of the Materiality Policy adopted by our Board on October 13, 2021, our Board has identified Leucon Technology Private Limited as a Group Company of our Company.

In accordance with the SEBI ICDR Regulations, certain financial information in relation to our Group Company for the preceding three financial years, extracted from its audited financial statements (as applicable) is available at the website indicated below. This is referred to as the “**Group Company Financial Information**”.

Our Company is providing the link to such website solely to comply with the requirements specified under the SEBI ICDR Regulations.

### 1. **Leucon Technology Private Limited**

#### *Registered office address*

2<sup>nd</sup> Floor, Unit B 205, Supreme Business Park, Hiranandani Garden, Behind Lake Castle, Powai, Mumbai 400076 Maharashtra, India

Information with respect to (i) reserves (excluding revaluation reserve); (ii) sales; (iii) profit after tax; (iv) earnings per share; (v) diluted earnings per share; and (vi) net asset value, based on the audited statements of our Group Company for the preceding three financial years shall be hosted at <https://www.delhivery.com/investor-relations/>.

#### **Confirmations**

##### **Common pursuits**

As on the date of this Draft Red Herring Prospectus, our Group Company is engaged in the business of providing technology solutions and services in various fields including transportation by various modes and with the use of IT and its applications.

##### **Related business transactions**

Except as set forth in “*Other Financial Information - Related Party Transactions*” on page 455, there are no related business transactions with our Group Company.

##### **Business interests**

Except as set forth in “*Other Financial Information - Related Party Transactions*” on page 455, our Group Company does not have any business interest in our Company.

##### **Litigation**

As on date of this Draft Red Herring Prospectus, our Group Company is not a party to any pending litigation which might have a material impact on our Company.

## DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the applicable laws including the Companies Act read with the rules notified thereunder, each as amended, together with the applicable rules issued thereunder. We may retain all our future earnings, if any, for purposes to be decided by our Company, subject to compliance with the provisions of the Companies Act. The quantum of dividend, if any, will depend on a number of factors, including but not limited to profits earned and available for distribution during the relevant fiscal year, accumulated reserves including retained earnings, expected future capital/ expenditure requirements, organic growth plans/ expansions, proposed long-term investment, capital restructuring, debt reduction, crystallization of contingent liabilities, cash flows and current and projected cash balance, and external factors, including but not limited to the macro-economic environment, regulatory changes, technological changes and other factors like statutory and contractual restrictions.

Our Company has adopted a formal policy on dividend distribution pursuant to a resolution of our Board dated October 13, 2021. In accordance with our dividend policy, our Board shall recommend/declare dividend as per the provisions of the Companies Act. Interim dividend shall be paid on declaration of the same by our Board and the final dividend will be paid on the approval of shareholders at an annual general meeting. Our Company has not declared any dividends in the last three Fiscals and the period from April 1, 2021 until the date of this Draft Red Herring Prospectus. However, this is not necessarily indicative of any dividend declaration or the quantum of our Company's dividend, in the future. For details in relation to risks involved in this regard, see "***Risk Factors - We cannot assure payment of dividends on our Equity Shares in the future***" on page 62.

**SECTION V: FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

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**Independent Auditors' Examination Report on the Restated Consolidated Summary Statements of Assets and Liabilities as at June 30, 2021, March 31, 2021, 2020 and 2019 and Restated Consolidated Summary Statements of Profits and Losses (including other comprehensive income), Restated Consolidated Summary Statement of Cash Flows and Restated Consolidated Summary Statement of Changes in Equity, the Summary Statement of Significant Accounting Policies, and other explanatory information for the three month period ended June 30, 2021 and each of the years ended March 31, 2021, 2020 and 2019 of Delhivery Limited (formerly known as 'Delhivery Private Limited') (collectively, the "Restated Consolidated Summary Statements")**

To  
The Board of Directors  
Delhivery Limited (formerly known as 'Delhivery Private Limited')  
Plot 5, Sector 44,  
Gurugram - 122002  
Haryana, India

Dear Sirs:

1. We S.R. Batliboi & Associates LLP, Chartered Accountants ("we" or "us" or "SRBA") have examined the attached Restated Consolidated Summary Statements of Delhivery Limited (formerly known as 'Delhivery Private Limited') ("the Company") and its subsidiaries (the Company, its subsidiaries together referred as "the Group") as at and for the three month period ended June 30, 2021 and each of the years ended March 31, 2021, 2020 and 2019 annexed to this report and prepared by the Company for the purpose of inclusion in the draft red herring prospectus ("DRHP") in connection with its proposed initial public offer ('IPO') of equity shares of face value of Re. 1 each of the Company ("Equity Shares") comprising a fresh issue of Equity Shares and an offer for sale of Equity Shares held by the selling shareholders (the "Offer"). The Restated Consolidated Summary Statements, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").
2. The preparation of the Restated Consolidated Summary Statements, which are to be included in the DRHP is the responsibility of the Management of the Company. The Restated Consolidated Summary Statements have been prepared by the management of the Company on the basis of preparation stated in paragraph 2.1 of Annexure V to the Restated Consolidated Summary Statements. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Statements. The Management is also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and Guidance Note.
3. We have examined such Restated Consolidated Summary Statements taking into consideration:
  - a) The terms of reference and terms of our engagement agreed with you vide our engagement letter dated August 12, 2021, requesting us to carry out the assignment, in connection with the proposed IPO of the Company;
  - b) The Guidance Note also requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on the verification of evidence supporting the Restated Consolidated Summary Statements; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

4. The Company proposes to make an initial public offer which comprises of fresh issue of its equity shares of Re. 1 each and offer for sale by certain shareholders' existing equity shares of Re 1 each at such premium arrived at by the book building process (referred to as the 'Issue'), as may be decided by the Company's Board of Directors.
5. These Restated Consolidated Summary Statements have been compiled by the management of the Company from:
  - a. Audited interim consolidated Ind AS financial statements of the Group as at and for the three months ended June 30, 2021 which were prepared in accordance with Indian Accounting Standard 34 "Interim Financial Reporting", as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meeting held on October 01, 2021.
  - b. Audited consolidated Ind AS financial statements of the Group as at and each of the years ended March 31, 2021, 2020 and 2019 which were prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 24, 2021, September 25, 2020 and September 27, 2019 respectively.
6. For the purpose of our examination, we have relied on:
  - a. Auditors' report issued by us dated October 01, 2021 on the interim consolidated Ind AS financial statements of the Group as at and for the three month period ended June 30, 2021 as referred to in paragraph 5 (a) above,
  - b. Auditors' reports issued by us dated September 24, 2021, September 25, 2020 and September 27, 2019 on the consolidated Ind AS financial statements of the Group as at and for each of the years ended March 31, 2021, 2020 and 2019 respectively as referred to in paragraph 5 (b) above.
7. As indicated in our audit reports referred to in para 6 above:
  - a) We did not audit the financial statements of the certain entities for the three month period ended June 30, 2021 and each of the years ended March 31, 2021, 2020 and 2019 respectively, whose share of total assets, total revenues and net cash flows included in the Consolidated Ind AS financial statements, for the relevant years is tabulated below, which have been audited by other auditors, and whose reports have been furnished to us by the Company's management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors.

S.No.	Name of Entity	Relationship	Auditor	Audited period
1	Delhivery Corp Limited, London, United Kingdom	Subsidiary	Jain Adesh and Associates, Chartered Accountants	For the period ended June 30, 2021 and for the years ended March 31, 2021, March 31, 2020, March 31, 2019
2	Delhivery USA LLC	Subsidiary		
3	Delhivery HK Pte Ltd	Subsidiary		
4	Skynet Logistics Private Limited	Subsidiary		
5	Orion Supply Chain Private Limited	Subsidiary	Jain Adesh and Associates, Chartered Accountants	For the period ended June 30, 2021 and for the years ended March 31, 2021 and March 31, 2020

(Rs in Millions)

Particulars	As at/ for the three-month period ended June 30, 2021	As at/ for the year ended March 31, 2021	As at/ for the year ended March 31, 2020	As at/ for the year ended March 31, 2019
No. of entities	5	5	5	4
Total assets	324.03	568.36	426.29	119.80
Total revenue	24.50	504.26	138.88	5.50
Net cash inflows/ (outflows)	(76.48)	56.02	109.72	21.07

8. In respect of the entities mentioned in Paragraph 7 above, the auditors as listed above have examined the restated summary statements of the respective entities included in these Restated Consolidated Summary Statements for the respective years and have confirmed that these restated summary statements of the entities:
- have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three-month period ended June 30, 2021;
  - there are no qualifications in the auditors' reports on the audited financial statements of the Company as at June 30, 2021, March 31, 2021, 2020 and 2019 and for the three-month period ended June 30, 2021 and each of the years ended March 31, 2021, 2020 and 2019 which require any adjustments to the Restated Summary Statements. and
  - have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
9. Based on our examination and according to the information and explanations given to us, and also as per the reliance placed on the examination report submitted by the other auditors, we report that the Restated Consolidated Summary Statements of the Group:
- have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021, 2020 and 2019 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three-month period ended June 30, 2021;
  - there are no qualifications in the auditors' reports on the audited consolidated Ind AS financial statements of the Company as at June 30, 2021, March 31, 2021, 2020 and 2019 and for the three-month period ended June 30, 2021 and each of the years ended March 31, 2021, 2020 and 2019 which require any adjustments to the Restated Consolidated Summary Statements.
  - have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
10. We have not audited any financial statements of the Group as of any date or for any period subsequent to June 30, 2021. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Group as of any date or for any period subsequent to June 30, 2021.
11. The Restated Consolidated Summary Statements do not reflect the effects of events that occurred subsequent to the audited financial statements mentioned in paragraph 6 above.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. Our report is intended solely for use of the Board of Directors of the Company for inclusion in DRHP to be filed with Securities and Exchange Board of India, National Stock Exchange of India Limited and BSE Limited in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004

per Yogesh Midha  
Partner  
Membership No: 094941  
UDIN: 21094941AAAAEC4037  
Place: New Delhi  
Date: October 13, 2021

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No - U63090DL2011PTC221234**  
**Annexure I - Restated Consolidated Summary Statement of Assets and Liabilities**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	Annexure VII Notes	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	3	2,863.16	2,379.71	2,358.91	1,610.12
Right of use asset	39	7,176.68	7,828.04	4,781.14	2,975.12
Capital work in progress	3	369.02	767.55	267.22	8.80
Goodwill	4	186.48	186.48	186.40	163.80
Other intangible assets	4	136.77	139.55	113.80	130.62
Intangible assets under development	4 (a)	-	-	48.09	-
Financial assets					
i) Investments	5	2,867.10	4,205.89	3,772.39	247.01
ii) Loans	10	-	-	-	27.32
iii) Other financial assets	11	6,102.84	886.62	5,253.76	2,036.03
Non-current tax assets (net)	12	913.13	1,231.69	1,050.15	596.45
Other non-current assets	13	114.83	47.47	13.64	134.27
<b>Total non-current assets</b>		<b>20,730.01</b>	<b>17,673.00</b>	<b>17,845.50</b>	<b>7,929.54</b>
<b>Current assets</b>					
Inventories	14	282.66	259.48	178.32	226.33
Financial assets					
i) Investments	6	27,035.53	7,075.64	8,104.41	11,304.27
ii) Trade receivables	7	6,949.88	5,945.82	6,013.31	2,146.50
iii) Cash and cash equivalents	8	1,668.16	2,758.63	1,200.38	16,626.39
iv) Other bank balances	9	-	15.78	2,886.62	7.93
v) Loans	10	231.90	264.21	26.80	2.30
vi) Other financial assets	11	6,871.48	10,815.26	6,444.10	1,951.17
Other current assets	13	2,052.30	1,170.16	873.64	431.02
<b>Total current assets</b>		<b>45,091.91</b>	<b>28,304.98</b>	<b>25,727.58</b>	<b>32,695.91</b>
<b>Total assets</b>		<b>65,821.92</b>	<b>45,977.98</b>	<b>43,573.08</b>	<b>40,625.45</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Equity share capital	15 (a)	16.38	16.33	9.75	9.58
Instruments entirely equity in nature	15 (a)	410.33	353.99	391.72	391.72
Other equity	15 (b)	47,009.57	27,997.65	31,302.59	33,481.53
<b>Total equity</b>		<b>47,436.28</b>	<b>28,367.97</b>	<b>31,704.06</b>	<b>33,882.83</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Financial Liabilities					
i) Borrowings	16	1,451.79	1,316.09	998.02	356.20
ii) Lease liabilities	37	5,971.30	6,538.44	3,870.65	2,425.22
iii) Trade payables	17	-	-	-	-
a. total outstanding dues of micro enterprises and small enterprises		-	-	-	-
b. total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	1.10	24.75
Provisions	19	236.16	219.16	166.12	108.90
<b>Total non-current liabilities</b>		<b>7,659.25</b>	<b>8,073.69</b>	<b>5,035.89</b>	<b>2,915.07</b>
<b>Current liabilities</b>					
Financial liabilities					
i) Borrowings	16	1,972.05	1,697.34	1,570.13	579.97
ii) Lease liabilities	37	1,594.47	1,617.16	1,107.66	744.43
iii) Trade payables	17	-	-	-	-
a. total outstanding dues of micro enterprises and small enterprises		7.65	20.52	7.97	0.61
b. total outstanding dues of creditors other than micro enterprises and small enterprises		5,125.70	4,401.78	2,725.53	1,581.78
iv) Other financial liabilities	18	1,155.10	1,305.75	1,096.90	683.88
Provisions	19	128.80	121.67	103.62	67.50
Other current liabilities	20	741.42	370.90	220.08	169.38
Current tax liabilities (net)		1.20	1.20	1.24	-
<b>Total current liabilities</b>		<b>10,726.39</b>	<b>9,536.32</b>	<b>6,833.13</b>	<b>3,827.55</b>
<b>Total liabilities</b>		<b>18,385.64</b>	<b>17,610.01</b>	<b>11,869.02</b>	<b>6,742.62</b>
<b>Total equity and liabilities</b>		<b>65,821.92</b>	<b>45,977.98</b>	<b>43,573.08</b>	<b>40,625.45</b>

The above statement should be read with Annexure V, Annexure VI and Annexure VII to the restated consolidated summary statements.

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number : 101049W/E300004

per Yogesh Midha

**Partner**  
Membership no : 094941

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

**Sandeep Kumar Barasia**  
**Whole Time 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)

Place: New Delhi  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021



**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No - U63090DL2011PTC221234**  
**Annexure II - Restated Consolidated Summary Statement of Profit and Loss**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	Annexure VII Notes	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Income</b>					
Revenue from contract with customers	21	13,177.22	36,465.27	27,805.75	16,538.97
Other income	22	462.89	1,917.64	2,080.54	409.77
<b>Total income (I)</b>		<b>13,640.11</b>	<b>38,382.91</b>	<b>29,886.29</b>	<b>16,948.74</b>
<b>Expenses</b>					
Freight, handling and servicing cost	23	8,679.06	27,780.82	21,837.96	12,506.83
Purchase of traded goods	24	1,621.33	102.08	57.69	-
Change in inventory of traded goods	25	(62.30)	-	-	-
Employee benefit expense	26	2,064.51	6,109.23	4,908.94	3,446.39
Fair value loss on financial liabilities at fair value through profit or loss		320.12	91.95	-	14,806.64
Finance costs	27	227.24	886.27	492.18	358.13
Depreciation and amortisation expense	28	817.88	3,546.20	2,555.91	1,700.05
Other expenses	29	1,268.07	3,610.49	2,721.63	1,963.74
<b>Total expenses (II)</b>		<b>14,935.91</b>	<b>42,127.04</b>	<b>32,574.31</b>	<b>34,781.78</b>
<b>Restated loss before exceptional item and tax (III= I - II)</b>		<b>(1,295.80)</b>	<b>(3,744.13)</b>	<b>(2,688.02)</b>	<b>(17,833.04)</b>
Exceptional items (IV)	30	-	(413.30)	-	-
<b>Restated loss before tax (V= III+IV)</b>		<b>(1,295.80)</b>	<b>(4,157.43)</b>	<b>(2,688.02)</b>	<b>(17,833.04)</b>
Tax expense, comprising:					
Current tax		-	-	(1.24)	-
Deferred tax		-	-	-	-
<b>Total tax expense (VI)</b>		<b>-</b>	<b>-</b>	<b>(1.24)</b>	<b>-</b>
<b>Restated loss for the period / year (VII= V+VI)</b>		<b>(1,295.80)</b>	<b>(4,157.43)</b>	<b>(2,689.26)</b>	<b>(17,833.04)</b>
<b>Other comprehensive income:</b>					
<b>(a) Items that will not be reclassified to profit or loss in subsequent periods:</b>					
(i) Re-measurement (loss) / gain on defined benefit plans	35	(1.24)	10.38	(7.62)	(0.00)
(ii) Income tax relating to items that will not be re-classified to profit and loss		-	-	-	-
<b>Subtotal (a)</b>		<b>(1.24)</b>	<b>10.38</b>	<b>(7.62)</b>	<b>(0.00)</b>
<b>(b) Items that will be reclassified to profit or loss in subsequent periods:</b>					
(i) Exchange differences on translation of foreign operations		2.48	(8.32)	17.27	(4.59)
(ii) Income tax relating to items that will be re-classified to profit and loss		-	-	-	-
<b>Subtotal (b)</b>		<b>2.48</b>	<b>(8.32)</b>	<b>17.27</b>	<b>(4.59)</b>
<b>Restated other comprehensive income / (loss) for the period / year (a+b)</b>		<b>1.24</b>	<b>2.06</b>	<b>9.65</b>	<b>(4.59)</b>
<b>Restated total comprehensive loss for the period / year</b>		<b>(1,294.56)</b>	<b>(4,155.37)</b>	<b>(2,679.61)</b>	<b>(17,837.63)</b>
<b>Restated loss per share</b>					
- Basic loss per share (INR)	31	(2.41)	(8.05)	(5.22)	(47.22)
- Diluted loss per share (INR)	31	(2.41)	(8.05)	(5.22)	(47.22)

The above statement should be read with Annexure V, Annexure VI and Annexure VII to the restated consolidated summary statements.

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number : 101049W/E300004

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

**per Yogesh Midha**  
  
**Partner**  
Membership no : 094941

**Sandeep Kumar Barasia**  
**Whole Time 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)

Place: New Delhi  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No - U63090DL2011PTC221234**  
**Annexure III - Restated Consolidated Summary Statement of Cash Flows**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Operating activities</b>				
<b>Restated loss before tax</b>	(1,295.79)	(4,157.43)	(2,688.02)	(17,833.04)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>				
Depreciation of property, plant and equipment	315.35	1,567.32	1,321.96	895.76
Amortization of intangible assets	16.68	76.56	83.76	38.01
Depreciation of right of use assets	485.85	1,902.32	1,150.15	766.28
Allowances for doubtful debts	363.08	894.78	447.91	275.40
Bad debts written off	1.34	4.45	11.06	36.10
Allowances for doubtful advances	7.09	47.53	9.48	7.55
Provision for diminution in value of non - current investments	-	-	-	92.90
Provision for doubtful debts	-	413.30	-	-
Inventory written off	-	-	75.62	-
Share based payment expense	437.20	723.12	488.05	379.44
Interest expense	53.17	198.64	113.26	97.24
Interest on lease liabilities	173.05	683.05	377.99	257.41
Stamp duty expense	-	(2.58)	(3.76)	-
Fair value gain on investment at fair value through profit or loss	(151.74)	(325.01)	(133.50)	(10.07)
Assets written off	-	-	0.26	-
Interest income	(210.55)	(1,150.36)	(1,419.65)	(319.32)
Interest income on unwinding of discount on security deposits paid	(30.64)	(105.63)	(39.80)	(20.22)
Net loss/ (gain) on sale of current investments	7.96	(100.81)	(394.80)	(24.74)
Exchange differences on translation of foreign operations	-	-	-	(4.59)
Rent waiver on lease liabilities	-	(33.80)	-	-
Gain on modification / termination of lease contracts	(29.10)	(99.76)	-	(7.28)
Fair value loss on financial liabilities at fair value through profit or loss	320.12	91.95	-	14,806.64
Fair value loss on financial instruments at fair value through profit or loss	-	-	-	92.95
(Profit) / loss on disposals of property, plant and equipment	-	(2.95)	8.08	(0.47)
<b>Operating loss before working capital changes</b>	<b>463.07</b>	<b>624.69</b>	<b>(591.95)</b>	<b>(474.05)</b>
<b>Movements in working capital :</b>				
Increase in inventories	(23.17)	(81.17)	(27.62)	(56.74)
Increase in trade and other receivables	(1,368.37)	(831.62)	(4,356.46)	(826.53)
Increase in financial assets	(1,211.13)	(1,007.50)	(2,238.76)	(452.82)
(Increase) / decrease in other assets	(882.25)	(303.01)	(16.61)	61.66
Decrease / (Increase) in loans	32.29	(237.44)	25.00	5.81
Increase / (decrease) in trade payables	710.62	1,689.64	1,130.30	(375.55)
Increase / (decrease) in other liabilities	240.47	304.55	103.90	(139.32)
Increase in provisions	22.89	71.10	85.60	58.40
<b>Cash (used in) / flow from operations</b>	<b>(2,015.58)</b>	<b>229.24</b>	<b>(5,886.60)</b>	<b>(2,199.14)</b>
Income taxes refund / (paid) (net)	318.56	(181.55)	(452.46)	(227.70)
<b>Net cash (used in) / flow from operating activities (A)</b>	<b>(1,697.02)</b>	<b>47.69</b>	<b>(6,339.06)</b>	<b>(2,426.84)</b>
<b>Investing activities</b>				
Purchase of property, plant & equipment (including other intangible assets, capital work in progress and capital advances)	(534.57)	(2,509.39)	(2,135.86)	(1,565.90)
Proceeds from property, plant & equipment (including other intangible assets)	23.71	23.71	0.26	-
Payment towards acquisition of business (refer note 33)	-	(35.00)	(36.31)	(265.40)
Proceeds from sale of financial assets - liquid mutual fund units, debt instruments	1,601.67	10,217.69	45,696.23	2,910.16
Payment to acquire financial assets- liquid mutual fund units, debt instruments	(20,078.99)	(9,196.60)	(45,493.49)	(11,905.47)
Maturity of bank deposits (having original maturity of more than 12 months) including margin money deposits	1,078.98	2,484.66	1,754.37	2,799.03
Investments in bank deposits (having original maturity of more than 12 months) including margin money deposits	(1,766.52)	(1,227.49)	(7,185.57)	(1,687.04)
Maturity / (investments) of bank deposits (having original maturity of more than 3 months)	15.78	2,870.84	(2,878.69)	0.94
Interest received	846.07	754.50	953.61	319.32
<b>Net cash (used in) / flow from investing activities (B)</b>	<b>(18,813.87)</b>	<b>3,382.92</b>	<b>(9,325.45)</b>	<b>(9,394.36)</b>
<b>Financing activities</b>				
Proceeds from issuance of equity share capital (including stock option exercised)	10.90	98.25	14.68	-
Proceeds from issuance of instruments entirely equity in nature	19,917.27	-	-	28,900.96
Proceeds from issuance of compulsorily convertible preference shares	-	92.88	-	-
(Repayment) / Proceeds from long term borrowings	(184.42)	133.20	641.78	268.31
Interest paid	(44.10)	(205.34)	(108.69)	(93.49)
Payment of interest portion of lease liabilities	(173.05)	(683.05)	(377.99)	(257.41)
Payment of principal portion of lease liabilities	(380.83)	(1,435.51)	(921.44)	(620.48)
Repayments of short term borrowings	(1,697.34)	(500.00)	(287.89)	(319.76)
Proceeds from short term borrowings	1,972.00	1,032.58	872.68	706.08
<b>Net cash flow from/ (used in) financing activities (C)</b>	<b>19,420.43</b>	<b>(1,466.99)</b>	<b>(166.87)</b>	<b>28,584.21</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>	<b>(1,090.47)</b>	<b>1,963.62</b>	<b>(15,831.38)</b>	<b>16,763.01</b>
Cash and cash equivalents at beginning of the period/ year	2,758.63	795.01	16,626.39	(136.62)
<b>Cash and cash equivalents at end of the period/ year (refer note 8)</b>	<b>1,668.16</b>	<b>2,758.63</b>	<b>795.01</b>	<b>16,626.39</b>

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No - U63090DL2011PTC221234**  
**Annexure III - Restated Consolidated Summary Statement of Cash Flows**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Non-cash financing activities</b>				
Fair value loss on financial liabilities at fair value through profit or loss (refer note 16)	320.12	91.95	-	14,806.64
Gain on modification / termination of lease contracts (refer note 22)	(29.10)	(99.76)	-	(7.28)
Rent waiver on lease liabilities (refer note 22)	-	(33.80)	-	-

**Reconciliation of liabilities arising from financing activities**

Particulars	As at 01 April 2018	Cash flows	Non cash changes	As at 31 March 2019
Short term borrowings	193.65	386.32	-	579.97
Long term borrowings	87.90	268.30	-	356.20
Lease liabilities	2,083.44	(877.89)	1,964.10	3,169.65

Particulars	As at 01 April 2019	Cash flows	Non cash changes	As at 31 March 2020
Short term borrowings	579.97	584.79	-	1,164.76
Long term borrowings	356.20	641.82	-	998.02
Lease liabilities	3,169.65	(1,299.43)	3,108.09	4,978.31

Particulars	As at 01 April 2020	Cash flows	Non cash changes	As at 31 March 2021
Short term borrowings	1,164.76	532.58	-	1,697.34
Long term borrowings	998.02	133.23	-	1,131.25
Lease liabilities	4,978.31	(2,118.56)	5,295.85	8,155.60

Particulars	As at 01 April 2021	Cash flows	Non cash changes	As at 30 June 2021
Short term borrowings	1,697.34	274.71	-	1,972.05
Long term borrowings	1,131.25	(184.47)	-	946.78
Lease liabilities	8,155.60	(553.87)	(35.96)	7,565.77

The above statement should be read with Annexure V, Annexure VI and Annexure VII to the restated consolidated summary statements.

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number : 101049W/E300004

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

**per Yogesh Midha**  
  
**Partner**  
Membership no : 094941

**Sandeep Kumar Barasia**  
**Whole Time 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)

Place: New Delhi  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

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

CIN No - U63090DL2011PTC221234

**Annexure IV - Restated Consolidated Summary Statement of Changes in Equity**

(All amount in INR Millions unless otherwise stated)

**a. Equity share capital**

Particulars	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>Equity shares of INR 10 each</b>								
<b>At the beginning of the period / year</b>	<b>16,67,930</b>	<b>16.33</b>	<b>9,74,952</b>	<b>9.75</b>	<b>9,58,395</b>	<b>9.58</b>	<b>9,58,395</b>	<b>9.58</b>
Add: Issued during the period / year	4,356	0.05	14,277	0.14	16,557	0.17	-	-
Add: Issued during the year (INR 1 paid up)	-	-	38,701	0.04	-	-	-	-
Add: Conversion of cumulative compulsorily convertible preference shares (refer note 15)	-	-	6,40,000	6.40	-	-	-	-
<b>Outstanding at the end of the period / year #</b>	<b>16,72,286</b>	<b>16.38</b>	<b>16,67,930</b>	<b>16.33</b>	<b>9,74,952</b>	<b>9.75</b>	<b>9,58,395</b>	<b>9.58</b>

# refer note 15 (a)

**b. Instruments entirely equity in nature**

(i) Cumulative Compulsorily Convertible Preference Shares (CCCPs)

Particulars	Series A (1)		Series B (2)		Series C (3)		Series D (4)		Series D1 (5)	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>As at 01 April 2018</b>	-	-	-	-	-	-	-	-	-	-
Add: Converted to instruments entirely equity in nature during the year (refer note 15)	2,91,667	2.92	4,48,719	44.87	4,78,434	47.84	6,53,551	65.36	48,531	4.85
Add: Issued during the year	-	-	-	-	-	-	-	-	-	-
Less: Converted into equity during the year	-	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>2,91,667</b>	<b>2.92</b>	<b>4,48,719</b>	<b>44.87</b>	<b>4,78,434</b>	<b>47.84</b>	<b>6,53,551</b>	<b>65.36</b>	<b>48,531</b>	<b>4.85</b>
Add: Converted to instruments entirely equity in nature during the year (refer note 15)	-	-	-	-	-	-	-	-	-	-
Add: Issued during the year	-	-	-	-	-	-	-	-	-	-
Less: Converted into equity during the year	-	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>2,91,667</b>	<b>2.92</b>	<b>4,48,719</b>	<b>44.87</b>	<b>4,78,434</b>	<b>47.84</b>	<b>6,53,551</b>	<b>65.36</b>	<b>48,531</b>	<b>4.85</b>
Add: Converted to instruments entirely equity in nature during the year (refer note 15)	-	-	-	-	-	-	-	-	-	-
Add: Issued during the year	-	-	-	-	-	-	-	-	-	-
Less: Converted into equity during the year	(2,91,667)	(2.92)	(2,31,157)	(23.10)	(1,13,124)	(11.31)	-	-	(4,052)	(0.40)
<b>As at 31 March 2021</b>	<b>-</b>	<b>-</b>	<b>2,17,562</b>	<b>21.77</b>	<b>3,65,310</b>	<b>36.53</b>	<b>6,53,551</b>	<b>65.36</b>	<b>44,479</b>	<b>4.46</b>
Add: Converted to instruments entirely equity in nature during the period (refer note 15)	-	-	-	-	-	-	-	-	-	-
Add: Issued during the period	-	-	-	-	-	-	-	-	-	-
Less: Converted into equity during the period	-	-	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>-</b>	<b>-</b>	<b>2,17,562</b>	<b>21.77</b>	<b>3,65,310</b>	<b>36.53</b>	<b>6,53,551</b>	<b>65.36</b>	<b>44,479</b>	<b>4.46</b>

Delhivery Limited (formerly known as Delhivery Private Limited)

CIN No - U63090DL2011PTC221234

Annexure IV - Restated Consolidated Summary Statement of Changes in Equity

(All amount in INR Millions unless otherwise stated)

Particulars	Series E (6)		Series F (7)		Series H (8)		Total (1+2+3+4+5+6+7+8)	
	Number	Amount	Number	Amount	Number	Amount		
<b>As at 01 April 2018</b>	-	-	-	-	-	-	-	-
Add: Converted to instruments entirely equity in nature during the year (refer note 15)	8,01,139	80.11	-	-	-	-	27,22,041	245.95
Add: Issued during the year	-	-	14,57,694	145.77	-	-	14,57,694	145.77
Less: Converted into equity during the year	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>8,01,139</b>	<b>80.11</b>	<b>14,57,694</b>	<b>145.77</b>	-	-	<b>41,79,735</b>	<b>391.72</b>
Add: Converted to instruments entirely equity in nature during the year (refer note 15)	-	-	-	-	-	-	-	-
Add: Issued during the year	-	-	-	-	-	-	-	-
Less: Converted into equity during the year	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>8,01,139</b>	<b>80.11</b>	<b>14,57,694</b>	<b>145.77</b>	-	-	<b>41,79,735</b>	<b>391.72</b>
Add: Converted to instruments entirely equity in nature during the year (refer note 15)	-	-	-	-	-	-	-	-
Add: Issued during the year	-	-	-	-	-	-	-	-
Less: Converted into equity during the year	-	-	-	-	-	-	(6,40,000)	(37.73)
<b>As at 31 March 2021</b>	<b>8,01,139</b>	<b>80.11</b>	<b>14,57,694</b>	<b>145.77</b>	-	-	<b>35,39,735</b>	<b>353.99</b>
Add: Converted to instruments entirely equity in nature during the period (refer note 15)	-	-	-	-	-	-	-	-
Add: Issued during the period	-	-	-	-	5,63,349	56.34	5,63,349	56.34
Less: Converted into equity during the period	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>8,01,139</b>	<b>80.11</b>	<b>14,57,694</b>	<b>145.77</b>	<b>5,63,349</b>	<b>56.34</b>	<b>41,03,084</b>	<b>410.33</b>

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No - U63090DL2011PTC221234**  
**Annexure IV - Restated Consolidated Summary Statement of Changes in Equity**  
*(All amount in INR Millions unless otherwise stated)*

**c. Other equity**

Particulars	Attributable to the equity holders of the parent				Total
	Reserves and Surplus			Items of OCI	
	Share-based payment reserve	Securities Premium	Retained earnings	Foreign Currency translation reserve	
<b>As at 01 April 2018</b>	<b>586.88</b>	<b>929.24</b>	<b>(23,602.44)</b>	<b>7.60</b>	(22,078.72)
Restated loss for the year	-	-	(17,833.04)	-	(17,833.04)
<b>Other comprehensive income</b>					
-Re-measurement losses on defined benefit plans *	-	-	(0.00)	-	(0.00)
-Exchange differences on translating the financial statement of foreign operations	-	-	-	(4.59)	(4.59)
<b>Total comprehensive loss</b>	-	-	<b>(17,833.04)</b>	<b>(4.59)</b>	<b>(17,837.63)</b>
Add: Securities premium on conversion of CCCPS from Financial Liability to Instruments entirely equity in nature	-	44,300.68	-	-	44,300.68
Add: Premium on issue of CCCPS	-	28,755.19	-	-	28,755.19
Less: Share issue expense	-	(37.43)	-	-	(37.43)
Add: Share based payment expense	379.44	-	-	-	379.44
<b>As at 31 March 2019</b>	<b>966.32</b>	<b>73,947.68</b>	<b>(41,435.48)</b>	<b>3.01</b>	<b>33,481.53</b>
Ind AS 116 transition adjustment (Refer Annexure VI.)	-	-	244.56	-	244.56
<b>As at 1 April 2019</b>	<b>966.32</b>	<b>73,947.68</b>	<b>(41,190.92)</b>	<b>3.01</b>	<b>33,726.09</b>
Restated loss for the year	-	-	(2,689.26)	-	(2,689.26)
<b>Other comprehensive income</b>					
-Re-measurement losses on defined benefit plans	-	-	(7.62)	-	(7.62)
-Exchange differences on translating the financial statement of foreign operations	-	-	-	17.27	17.27
<b>Total comprehensive (loss) / income</b>	-	-	<b>(2,696.88)</b>	<b>17.27</b>	<b>(2,679.61)</b>
Add: ESOPs exercised from Employee stock options outstanding (transferred INR 109.38 Millions) from employee stock option outstanding	-	123.85	-	-	123.85
Less: Share issues expenses	-	(1.85)	-	-	(1.85)
Add: Share based payment expense	488.05	-	-	-	488.05
Less: Transferred to securities premium on exercise of stock options	(109.38)	-	-	-	(109.38)
Less: Ind AS 116 adjustment	-	-	(244.56)	-	(244.56)
<b>As at 31 March 2020</b>	<b>1,344.99</b>	<b>74,069.68</b>	<b>(44,132.36)</b>	<b>20.28</b>	<b>31,302.59</b>
Restated loss for the year	-	-	(4,157.43)	-	(4,157.43)
<b>Other comprehensive income</b>					
-Re-measurement gains on defined benefit plans	-	-	10.38	-	10.38
-Exchange differences on translating the financial statement of foreign operations	-	-	-	(8.32)	(8.32)
<b>Total comprehensive loss</b>	-	-	<b>(4,147.05)</b>	<b>(8.32)</b>	<b>(4,155.37)</b>
Add: ESOPs exercised from Employee stock options outstanding (transferred INR 109.87 Millions) from employee stock option outstanding	-	128.87	-	-	128.87
Add: Premium on conversion of preference share to equity share	-	31.35	-	-	31.35
Add: Securities premium on equity issued during the year	-	77.36	-	-	77.36
Less: Transferred to securities premium on exercise of stock options	(109.87)	-	-	-	(109.87)
Less: Share issues expenses	-	(0.40)	-	-	(0.40)
Add: Share based payment expense	723.12	-	-	-	723.12
<b>As at 31 March 2021</b>	<b>1,958.24</b>	<b>74,306.86</b>	<b>(48,279.41)</b>	<b>11.96</b>	<b>27,997.65</b>
Restated loss for the period	-	-	(1,295.80)	-	(1,295.80)
<b>Other comprehensive income</b>					
-Re-measurement losses on defined benefit plans	-	-	(1.24)	-	(1.24)
-Exchange differences on translating the financial statement of foreign operations	-	-	-	2.48	2.48
<b>Total comprehensive (loss) / income</b>	-	-	<b>(1,297.06)</b>	<b>2.48</b>	<b>(1,294.56)</b>
Add: ESOPs exercised from Employee stock options outstanding	-	52.34	-	-	52.34
Add: Premium on issue of CCCPS	-	20,029.87	-	-	20,029.87
Less: Transferred to securities premium on exercise of stock options	(44.03)	-	-	-	(44.03)
Less: Share issues Expenses	-	(168.88)	-	-	(168.88)
Add: Share based payment expense	437.20	-	-	-	437.20
<b>As at 30 June 2021</b>	<b>2,351.39</b>	<b>94,220.19</b>	<b>(49,576.47)</b>	<b>14.44</b>	<b>47,009.57</b>

\* Value less than INR 1 Lakhs.

The above statement should be read with Annexure V, Annexure VI and Annexure VII to the restated consolidated summary statements.

As per our report of even date attached

**For S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number : 101049W/E300004

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

**per Yogesh Midha**  
  
**Partner**  
Membership no : 094941

**Sandeep Kumar Barasia**  
**Whole Time 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)

Place: New Delhi  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

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

**CIN No – U63090DL2011PTC221234**

**Annexure V- Significant Accounting Policies to the Restated Consolidated Summary Statements**

*(All amount in INR Millions unless otherwise stated)*

## **1. Corporate Information**

Delhivery Limited (formerly known as Delhivery Private Limited) ("Delhivery" or "the Company" or "the Parent Company") together with its subsidiaries (including branches), (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 logistic and supply chain consulting / advice, provide inbound / procurement support and other activities of similar nature.

The Company is incorporated and domiciled in India under the provisions of the Companies Act applicable in India. 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. On 08 December 2015 the Registrar of Companies, Delhi has accorded their approval to change the name of the Company from SSN Logistics Private Limited to Delhivery Private Limited

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 29 September 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 12 October 2021.

The Group's restated consolidated summary statements for the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020, and 31 March 2019 were authorized by Board of Directors on 13 October 2021.

## **2. Basis of Preparation of Restated Consolidated Summary Statements**

### **2.1 Basis of preparation**

"The Restated Consolidated Summary Statements of the Company and its Subsidiaries (together known as the "Group") comprises of the Restated Consolidated Summary statement of Assets and Liabilities as at 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019, the related Restated Consolidated Summary Statements of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Summary Statements of Cash Flows, the Restated Consolidated Summary Statements of Changes in Equity for the period ended 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019 and the Summary of Significant Accounting Policies and explanatory notes (collectively, the 'Restated Consolidated Summary Statements' or 'Statements').

The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Summary Statements.

These Statements have been prepared by the Management for the purpose of preparation of the restated consolidated summary statements to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed initial public offering of equity shares of face value of INR 1 each of the Company comprising a fresh issue of equity shares and an offer for sale of equity shares held by the selling shareholders (collectively, the "Offering")

These Restated Consolidated Summary Statements have been prepared to comply in all material respects with the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act").
- b) Relevant provisions of The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("the SEBI ICDR Regulations") issued by the Securities and Exchange Board of India ('SEBI') on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992.

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

**CIN No – U63090DL2011PTC221234**

**Annexure V- Significant Accounting Policies to the Restated Consolidated Summary Statements**

*(All amount in INR Millions unless otherwise stated)*

c) Guidance note on Reports in Company Prospectuses (Revised 2019) (“Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”).”

The Restated Consolidated Summary Statements has been compiled from the audited consolidated financial statements of the Group for the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019 which have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable, which have been approved by the Board of Directors at their meetings held on, 01 October 2021, 24 September 2021, 25 September 2020 and 27 September 2019 respectively.

The Restated Consolidated Summary Statements have been prepared on the historical cost basis, except for the certain assets and liabilities (refer accounting policy regarding financial instruments) and share based payments which have been measured at fair value as per Ind AS 102.

The accounting policies have been consistently applied by the Group in preparation of the Restated Consolidated Summary Statements and are consistent with those adopted in the preparation of restated consolidated financial statements for the period ended 30 June 2021.

The Restated Consolidated summary statements are presented in Indian Rupees "INR" and all values are stated as INR Millions, except when otherwise indicated.

## **2.2 Basis of consolidation**

The restated consolidated summary statements comprise the financial statements of the Parent Company and its subsidiaries (including branches) for the three month period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019.

### **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 restated consolidated summary statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Consolidated summary 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 restated consolidated summary statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s summary statements in preparing the restated consolidated summary statements to ensure conformity with the group’s accounting policies.



The restated consolidated summary 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., three month period ended 30 June 2021 and year ended on 31 March 2021, 31 March 2020, 31 March 2019.

**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 summary 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 summary statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Restated Consolidated summary 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 results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the summary 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:

- i. Derecognises the assets (including goodwill) and liabilities of the subsidiary
- ii. Derecognises the carrying amount of any non-controlling interests
- iii. Derecognises the cumulative translation differences recorded in equity
- iv. Recognises the fair value of the consideration received
- v. Recognises the fair value of any investment retained
- vi. Recognises any surplus or deficit in profit and loss
- vii. 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.

**2.3 Summary of significant accounting policies**

**a) Use of estimates**

The preparation of the restated consolidated summary 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.

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

**CIN No – U63090DL2011PTC221234**

**Annexure V- Significant Accounting Policies to the Restated Consolidated Summary Statements**

*(All amount in INR Millions unless otherwise stated)*

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

- (i) fair values of the assets transferred;
- (ii) liabilities incurred to the former owners of the acquired business;
- (iii) equity interests issued by the group; and
- (iv) 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:

- i) 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.

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

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**Annexure V- Significant Accounting Policies to the Restated Consolidated Summary Statements**

*(All amount in INR Millions unless otherwise stated)*

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 restated consolidated summary 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 restated consolidated summary 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 restated consolidated summary 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 restated consolidated summary 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 a 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 restated consolidated summary 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 the loss as 'Share of profit of an associate' in the restated consolidated summary statement of profit and loss.

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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 restated consolidated summary statement of profit and loss.

**c) Current versus non- current classification**

The Group presents assets and liabilities in the restated consolidated summary statement of assets and liabilities 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 restated consolidated summary 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 summary 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 restated consolidated summary statement of profit and loss with the exception of the following:

- i) In the restated consolidated summary 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.

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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 restated consolidated summary statements 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 restated consolidated summary statement of profit and 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 Group measures financial instruments such as Investment in cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments and share buyback obligation 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 restated consolidated summary 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:

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- 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 restated consolidated summary 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 and share buyback obligation 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 restated consolidated summary 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 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 straight-line method based on the estimated useful life of the asset, which is as follows:

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<b>Property, plant and equipment</b>	<b>Useful lives as per Schedule II</b>	<b>Useful lives estimated by management</b>
Computer	3 years	3 years
Computer server	6 years	6 years
Office equipment	5 years	3 -5years
Furniture & Fittings	10 years	5 years
Plant and Machinery	8 years	3.86 years
Vehicles	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 3.85, 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 restated consolidated summary 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 restated consolidated summary statement of profit and loss unless such expenditure forms part of carrying value of another asset.

IT Software and Trademarks are to be depreciated 5 years as its useful life or license period whichever is lower

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 restated consolidated summary 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 earnings and Lease equalization reserve, consequently the group discounted using the Group's incremental borrowing rate at 01 April 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 01 April 2019.

For the purpose of preparing restated consolidated summary statements, Ind AS 116 has been applied retrospectively with effect from 01 April 2018.

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 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 (q) 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.



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### **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 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.

### **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. 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 group collects Goods & Service Tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the group. Hence, it is excluded from revenue.

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### **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 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 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.

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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 restated consolidated summary statement of assets and liabilities with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to restated consolidated summary statement of profit and loss in subsequent periods.

Past service costs are recognised in the restated consolidated summary statement profit and loss on the earlier of:

- i) The date of the plan amendment or curtailment, and
- ii) 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 restated consolidated summary statement of profit and loss:

- i) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- ii) 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 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 restated consolidated statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the restated 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.

## **I) 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 restated consolidated summary statement profit and loss is recognised outside restated consolidated summary 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 restated consolidated summary statement of assets and liabilities 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, associates and interests in joint ventures, 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, associates and interests in joint ventures, 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 restated consolidated summary statement of profit and loss is recognised outside restated consolidated summary 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.

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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 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 restated consolidated summary 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 restated consolidated summary 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 shares outstanding during the period.

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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 restated consolidated summary 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.

**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 restated consolidated summary 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 restated consolidated summary 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

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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 restated consolidated summary 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 restated consolidated summary 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 restated consolidated summary statement of profit and loss.

**Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's restated consolidated summary statements of assets and liabilities) 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.

### ***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 restated consolidated summary statement of profit and loss. This amount is reflected under the head 'other expenses' in the restated consolidated summary statement of profit and loss.

The restated consolidated summary statement of assets and liabilities 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 restated consolidated summary statements of assets and liabilities. 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 share buyback obligation, 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 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 restates consolidated summary 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 restated consolidated summary statement of profit and 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 restated consolidated summary statement of assets and liabilities 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.

### **q) 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 restated consolidated summary 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 restated consolidated summary 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.

### **r) 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.

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**s) Cash and cash equivalents**

Cash and cash equivalent in the restated consolidated summary statement of assets and liabilities 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 restated consolidated summary 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.

**t) 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**

**New and amended new standard**

**(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions**

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the 01 April 2020. 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 the 01 April 2019. The Group has received rental concessions during the year refer note 37 for details.

**(ii) Amendments to Ind AS 103 Business Combinations**

The amendment to Ind AS 103 Business Combinations clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs.

These amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 01 April 2020 and to asset acquisitions that occur on or after the beginning of that period. This amendment had no impact

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on the restated consolidated summary statement of the Group but may impact future periods should the Group enter into any business combinations

**(iii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material**

The amendments provide a new definition of material that states, “information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.” The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the restated consolidated summary statement of, nor is there expected to be any future impact to the Group.

These amendments are applicable prospectively for annual periods beginning on or after the 01 April 2020. The amendments to the definition of material are not expected to have a significant impact on the Group’s restated consolidated summary statement.

**(iv) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform**

The amendments to Ind AS 109 *Financial Instruments: Recognition and Measurement* provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the restated consolidated summary statement of the Group as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the 01 April 2020. These amendments are not expected to have a significant impact on the Group’s restated consolidated summary statement

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**Annexure VI- Summary of Restatement Adjustments**

*(All amount in INR Millions unless otherwise stated)*

**Part A: Statement of restatement adjustments to audited Consolidated Ind AS financial statements**

**Reconciliation between audited equity and restated equity**

Particulars	Note No.	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 01 April 2018
Equity (as per audited financial statements)		47,436.29	28,367.97	31,704.06	34,127.39	(2,19,289.45)
<b>Adjustments</b>						
<b>Change in accounting policies</b>						
(i) Ind AS 116- Leases	Annexure VI, Part A, Note 1	-	-	-	(244.56)	(140.28)
<b>Total impact on adjustments</b>		-	-	-	<b>(244.56)</b>	<b>(140.28)</b>
<b>Total equity as per restated consolidated summary statement of assets and liabilities</b>		<b>47,436.29</b>	<b>28,367.97</b>	<b>31,704.06</b>	<b>33,882.83</b>	<b>(2,19,429.73)</b>

**Reconciliation between audited loss and restated loss**

Particulars	Note No.	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Loss after tax (as per audited Consolidated Ind AS financial statements)		(1,295.79)	(4,157.43)	(2,689.26)	(17,728.77)

**Restatement adjustments**

**A) Impact of Ind AS 116**

Annexure VI, Part A, Note 1

**Increase/(decrease) in total income**

Gain on modification/ termination of leases contracts

- - - 7.28

**(Increase)/decrease in total expenses**

Depreciation of right-of-use assets

- - - (766.28)

Interest on lease liability

- - - (257.41)

Freight, handling and servicing cost - Rent

- - - 912.13

**Total impact on adjustments**

- - - (104.28)

**Restated loss after tax for the period / year**

**(1,295.79) (4,157.43) (2,689.26) (17,833.04)**

**Notes to adjustments:**

1) Ind AS 116 - Leases has been notified and effective for financial statements from 01 April 2019 which prescribes the accounting of the lease contracts entered in the capacity of the lessee and a lessor. The Group has applied Ind AS 116 for preparing the audited consolidated Ind AS financial statements for the period beginning from 01 April 2019. For the purpose of preparing restated consolidated summary statements, Ind AS 116 has been applied retrospectively with effect from 01 April 2018 using same accounting policy choices (transition options as per Ind AS 116) as adopted on 01 April 2019 for transition to Ind AS 116.

Effective 01 April 2018, the Group has taken the cumulative adjustment to retained earnings & Lease equalization Reserve, on the date of initial application. Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right to use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application.

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**Annexure VI- Summary of Restatement Adjustments**

*(All amount in INR Millions unless otherwise stated)*

**Part B : Reconciliation of retained earnings as per audited consolidated Ind AS financial statements with total equity as per Restated Ind AS Summary Statements as at 31 March 2019**

The Company has followed the same accounting policy choices (transition options as per Ind AS 116) as adopted on 01 April 2019 for transition to Ind AS 116, while preparing the restated consolidated summary Statements for each of the year ended 31 March 2020 and 31 March 2019. As specified in the Guidance Note, the equity balance computed under Restated Ind AS summary statements for the year ended 31 March 2019 and equity balance computed on transition (using modified retrospective approach) to Ind AS 116 on 01 April 2019 differs due to restatement adjustments made for each of the year ended 31 March 2019. Accordingly, the closing equity balance as at 31 March 2019 of the restated consolidated summary statements has not been carried forward to opening balance sheet as at 01 April 2019. The reconciliation of the same is as follows :

<b>Particulars</b>	<b>Amount</b>
<b>Other equity</b>	
Retained earnings	
Restated balance as at 31 March 2019	(41,435.48)
Add: Adjustment on account of transition to Ind AS 116	(244.56)
<b>Balance as at April 01, 2019 as per audited consolidated Ind AS financial statements for year ended 31 March 2020</b>	<b>(41,190.92)</b>

**Part C -Non adjusting events**

**Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated summary statements are as follows:**

**a) Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated summary statements are as follows:**

1) There are no audit qualification in auditor's report for the three month period ended 30 June 2021 and financial year ended 31 March 2021, 31 March 2020 and 31 March 2019 .

**b) Emphasis of matter not requiring adjustment to restated consolidated summary statements:**

1) There are no emphasis of matter in auditor's report for the three month period ended 30 June 2021 and financial year ended 31 March 2021, 31 March 2020 and 31 March 2019 .

**Part D: Material re-grouping**

Appropriate re-groupings have been made in the restated consolidated summary statement of assets and liabilities, restated consolidated summary statement of profit and loss and restated consolidated summary statement of cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Ind AS financial information of the Group for the period ended 30 June 2021 respectively prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended.

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**3. Property, plant and equipment**

Particulars	Computers/ Servers	Office Equipment	Furniture and Fixtures	Vehicles #	Plant and Equipment	Leasehold Improvements	Total	Capital work in progress
<b>Gross carrying value</b>								
<b>As at 01 April 2018</b>	<b>335.92</b>	<b>436.09</b>	<b>416.21</b>	<b>174.14</b>	<b>417.89</b>	<b>491.64</b>	<b>2,271.89</b>	57.05
Asset acquired on acquisition of business (refer note 33 (d))	38.80	-	-	-	-	-	38.80	-
Additions during the year	160.85	465.84	416.78	9.36	189.88	245.99	1,488.70	8.80
Disposals during the year	(68.04)	(19.18)	-	-	-	-	(87.22)	(57.05)
<b>At 31 March 2019</b>	<b>467.53</b>	<b>882.75</b>	<b>832.99</b>	<b>183.50</b>	<b>607.77</b>	<b>737.63</b>	<b>3,712.17</b>	<b>8.80</b>
Asset acquired on acquisition of business (refer note 33 (c))	0.26	-	-	-	-	-	0.26	-
Additions during the year	210.00	543.33	353.33	330.79	362.20	278.10	2,077.75	267.07
Disposals during the year	(69.95)	(49.00)	(17.80)	-	(8.64)	-	(145.39)	(8.65)
<b>At 31 March 2020</b>	<b>607.84</b>	<b>1,377.08</b>	<b>1,168.52</b>	<b>514.29</b>	<b>961.33</b>	<b>1,015.73</b>	<b>5,644.79</b>	<b>267.22</b>
Additions during the year	181.03	462.89	314.58	70.84	155.09	426.56	1,610.99	520.30
Disposals during the year	(61.83)	(30.69)	(29.70)	(14.88)	-	(29.33)	(166.43)	(19.97)
<b>At 31 March 2021</b>	<b>727.04</b>	<b>1,809.28</b>	<b>1,453.40</b>	<b>570.25</b>	<b>1,116.42</b>	<b>1,412.96</b>	<b>7,089.35</b>	<b>767.55</b>
Additions during the period	47.75	95.85	32.75	18.99	541.79	73.30	810.43	58.81
Disposals during the period	(51.00)	(98.33)	(97.20)	(0.02)	(0.56)	(5.15)	(252.26)	(457.34)
<b>At 30 June 2021</b>	<b>723.79</b>	<b>1,806.80</b>	<b>1,388.95</b>	<b>589.22</b>	<b>1,657.65</b>	<b>1,481.11</b>	<b>7,647.52</b>	<b>369.02</b>
<b>Accumulated depreciation</b>								
<b>As at 01 April 2018</b>	<b>238.64</b>	<b>205.46</b>	<b>237.78</b>	<b>67.32</b>	<b>256.38</b>	<b>283.21</b>	<b>1,288.79</b>	-
Charge for the year (refer note 28)	127.57	222.71	209.06	59.40	119.60	156.42	895.76	-
Disposals during the year	(64.61)	(17.89)	-	-	-	-	(82.50)	-
<b>At 31 March 2019</b>	<b>301.60</b>	<b>410.28</b>	<b>446.84</b>	<b>126.72</b>	<b>375.98</b>	<b>439.63</b>	<b>2,102.05</b>	-
Charge for the year (refer note 28)	180.07	375.79	276.94	113.76	183.89	191.49	1,321.94	-
Disposals during the year	(66.27)	(46.10)	(16.76)	-	(7.98)	-	(137.11)	-
<b>At 31 March 2020</b>	<b>415.40</b>	<b>739.97</b>	<b>707.02</b>	<b>240.48</b>	<b>551.89</b>	<b>631.12</b>	<b>3,286.88</b>	-
Charge for the year (refer note 28)	175.20	420.73	315.11	183.23	221.80	251.25	1,567.32	-
Disposals during the year	(56.89)	(25.22)	(24.47)	(14.89)	-	(22.09)	(143.56)	-
<b>At 31 March 2021</b>	<b>533.71</b>	<b>1,135.48</b>	<b>997.66</b>	<b>408.82</b>	<b>773.69</b>	<b>860.28</b>	<b>4,710.64</b>	-
Charge for the period (refer note 28)	33.12	82.18	54.13	22.95	57.01	65.96	315.35	-
Disposals during the period	(48.39)	(93.37)	(93.43)	(0.02)	(0.53)	(4.89)	(240.63)	-
<b>At 30 June 2021</b>	<b>518.44</b>	<b>1,124.29</b>	<b>958.36</b>	<b>431.75</b>	<b>830.17</b>	<b>921.35</b>	<b>4,785.36</b>	-
<b>Net carrying value</b>								
<b>At 31 March 2019</b>	165.93	471.47	386.15	56.78	231.79	298.00	<b>1,610.12</b>	8.80
<b>At 31 March 2020</b>	192.44	637.11	461.50	273.81	409.44	384.61	<b>2,358.91</b>	267.22
<b>At 31 March 2021</b>	193.33	673.80	455.74	161.43	342.73	552.68	<b>2,379.71</b>	767.55
<b>At 30 June 2021</b>	205.35	682.51	430.59	157.47	827.48	559.76	<b>2,863.16</b>	369.02

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# Vehicles under loan contracts as at 30 June 2021 were INR 580.30 Millions (31 March 2021:INR 561.30 Millions, 31 March 2020: INR 490.50 Millions, 31 March 2019: INR 170.20 Millions). Additions during the period ended 30 June 2021 is INR 19.00 Millions (31 March 2021: INR 70.80 Millions, 31 March 2020: INR 320.30 Millions, 31 March 2019: 6.20 Millions). Loans assets are hypothecated as security for the related loan. (refer note 16)

Group reassesses the life of assets at the end of each reporting year. Group had estimated the useful life of Urovo device originally as 5 years which has been changed to 3 years during the year ended 31 March 2020. This is classified under office equipment. Accordingly, Group had recognised depreciation expense in restated consolidated summary statement of profit and loss amounting to INR 16.80 Millions and decrease the carrying value of the fixed assets by the same amount. There is no material impact on the basic and diluted loss per share.

**3 (a) Capital work in progress (Ageing schedule)**

<b>Particulars</b>	<b>Less than 1 year</b>	<b>1-2 year</b>	<b>2-3 year</b>	<b>More than 3 years</b>	<b>Total</b>
<b>As at 31 March 2019</b>					
Projects in progress	8.80	-	-	-	8.80
Projects temporarily suspended	-	-	-	-	-
	<b>8.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.80</b>
<b>As at 31 March 2020</b>					
Projects in progress	267.12	0.10	-	-	267.22
Projects temporarily suspended	-	-	-	-	-
	<b>267.12</b>	<b>0.10</b>	<b>-</b>	<b>-</b>	<b>267.22</b>
<b>As at 31 March 2021</b>					
Projects in progress	516.32	251.23	-	-	767.55
Projects temporarily suspended	-	-	-	-	-
	<b>516.32</b>	<b>251.23</b>	<b>-</b>	<b>-</b>	<b>767.55</b>
<b>As at 30 June 2021</b>					
Projects in progress	132.08	119.16	117.78	-	369.02
Projects temporarily suspended	-	-	-	-	-
	<b>132.08</b>	<b>119.16</b>	<b>117.78</b>	<b>-</b>	<b>369.02</b>



**4. Intangible assets and Goodwill**

Particulars	Software (1)	Trademarks (2)	Customer Relationship (3)	Non Compete (4)	Total (1+2+3+4)	Goodwill *
<b>Gross carrying value</b>						
<b>As at 01 April 2018</b>	<b>67.74</b>	<b>50.98</b>	-	-	<b>118.72</b>	-
Asset acquired on acquisition of business (refer note 33 (d))	-	-	61.10	1.70	<b>62.80</b>	163.80
Additions during the year	56.45	-	-	-	56.45	-
<b>At 31 March 2019</b>	<b>124.19</b>	<b>50.98</b>	<b>61.10</b>	<b>1.70</b>	<b>237.97</b>	<b>163.80</b>
Asset acquired on acquisition of business (refer note 33 (c))	12.20	-	-	-	12.20	22.60
Additions during the year	54.80	-	-	-	54.80	-
<b>At 31 March 2020</b>	<b>191.19</b>	<b>50.98</b>	<b>61.10</b>	<b>1.70</b>	<b>304.97</b>	<b>186.40</b>
Asset acquired on acquisition of business (refer note 33 (b))	34.92	-	-	-	34.92	0.08
Additions during the year	67.39	-	-	-	67.39	-
Disposals during the year	(0.68)	-	-	-	(0.68)	-
<b>At 31 March 2021</b>	<b>292.82</b>	<b>50.98</b>	<b>61.10</b>	<b>1.70</b>	<b>406.60</b>	<b>186.48</b>
Additions during the period	14.30	-	-	-	14.30	-
Disposals during the period	(7.17)	-	-	-	(7.17)	-
<b>At 30 June 2021</b>	<b>299.95</b>	<b>50.98</b>	<b>61.10</b>	<b>1.70</b>	<b>413.74</b>	<b>186.48</b>
<b>Accumulated amortisation</b>						
<b>As at 01 April 2018</b>	47.54	21.80	-	-	<b>69.34</b>	-
Charge for the year (refer note 28)	24.60	10.20	3.12	0.09	38.01	-
<b>At 31 March, 2019</b>	<b>72.14</b>	<b>32.00</b>	<b>3.12</b>	<b>0.09</b>	<b>107.35</b>	-
Charge for the year (refer note 28)	37.72	10.20	34.93	0.97	83.82	-
<b>At 31 March, 2020</b>	<b>109.86</b>	<b>42.20</b>	<b>38.05</b>	<b>1.06</b>	<b>191.17</b>	-
Charge for the year (refer note 28)	53.48	8.78	13.91	0.39	76.56	-
Disposals during the year	(0.68)	-	-	-	(0.68)	-
<b>At 31 March, 2021</b>	<b>162.66</b>	<b>50.98</b>	<b>51.96</b>	<b>1.45</b>	<b>267.05</b>	-
Charge for the period (refer note 28)	15.26	-	1.38	0.04	16.68	-
Disposals during the period	(6.77)	-	-	-	(6.77)	-
<b>At 30 June 2021</b>	<b>171.15</b>	<b>50.98</b>	<b>53.34</b>	<b>1.49</b>	<b>276.97</b>	-
<b>Net carrying value</b>						
<b>At 31 March 2019</b>	52.05	18.98	57.98	1.61	<b>130.62</b>	<b>163.80</b>
<b>At 31 March 2020</b>	81.33	8.78	23.05	0.64	<b>113.80</b>	<b>186.40</b>
<b>At 31 March 2021</b>	130.16	-	9.14	0.25	<b>139.55</b>	<b>186.48</b>
<b>At 30 June 2021</b>	128.80	-	7.76	0.21	<b>136.77</b>	<b>186.48</b>

\* The Company performs test for goodwill impairment at least annually on 31 March, 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 amount tests of Cash Generating Units (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.

**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 for the year ended (31 March 2021:18.15%, 31 March 2020: 22%, 31 March 2019: 21.30%).
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 for the year ended (31 March 2021: 5%, 31 March 2020: 5%, 31 March 2019: 5%).
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.

**4 (a) Intangible assets under development (ageing schedule)**

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
<b>As at 31 March 2019</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>As at 31 March 2020</b>					
Projects in progress	48.09	-	-	-	48.09
Projects temporarily suspended	-	-	-	-	-
	<b>48.09</b>	-	-	-	<b>48.09</b>
<b>As at 31 March 2021</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-
<b>As at 30 June 2021</b>					
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

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**5. Financial Assets - Non - current investments**

Particulars	As at		As at		As at		As at	
	No. of Units	30 June 2021	No. of Units	31 March 2021	No. of Units	31 March 2020	No. of Units	31 March 2019
<b>Investment in associates (equity accounting)</b>								
<b>Investment in unquoted equity instruments (fully paid)</b>								
Leucon Technology Private Limited								
Equity shares of INR 19,321.60 each fully paid up	5	-	5	-	5	-	5	-
<b>Investment in unquoted preference instruments (fully paid)</b>								
Leucon Technology Private Limited								
Compulsorily Convertible Preference Shares of INR 19,321.60 each (includes securities premium of INR 19,311.60) each fully paid up	4653	-	4,653	-	4,653	-	4,653	-
<b>Investments at fair value through Profit &amp; Loss (FVTPL)</b>								
<b>Investments in Unquoted instruments (fully paid)</b>								
Skynet Worldwide Express Management Co. Bv.								
Equity shares of INR 66 each fully paid up	23474	1.55	23,474	1.55	23,474	1.55	23,474	1.55
<b>Other investments</b>								
<b>a) Investment in equity instruments</b>								
Leapmile Logistics Private Limited								
Equity shares of INR 8,836.14 each (includes securities premium of INR 8,835.14) each fully paid up	100	-	100	-	100	-	100	-
Moonshots Internet Private Limited								
Equity shares of INR 7,494.40 ( includes security premium of INR 7,493.40) each fully paid up	100	-	100	-	100	-	100	-
NAXR Logistics Private Limited								
Equity shares of INR 10 each (includes security premium of INR 0.10 Millions) each fully paid up	2,000	-	2,000	-	2,000	-	2,000	-
<b>b) Investment in preference instruments</b>								
Leapmile Logistics Private Limited								
Preference shares of INR 8,836.14 (includes security premium of INR 8,835.14) each fully paid up	3,472	-	3,472	-	3,472	-	3,472	-
Moonshots Internet Private Limited								
Preference shares of INR 7,494.40 (includes security premium of INR 7,493.40) each fully paid up	31,294	-	31,294	-	31,294	-	31,294	-
NAXR Logistics Private Limited								
Preference shares of INR 10 each (includes security premium of INR 14,235) each fully paid up	105	-	105	-	105	-	105	-
NAXR Logistics Private Limited								
Preference shares of INR 10 each (includes security premium of INR 0.05 Millions) each fully paid up	3,007	-	3,007	-	3,007	-	3,007	-
<b>c) Perpetual Bond (Quoted)</b>								
9.45% State Bank Of India Series III Bd Perpetual of INR 10,91,228 (31 March 2021: INR 1,035,473, 31 March 2020 : INR 1,013,561, March 31, 2019: Nil)	500	545.61	500	517.74	500	506.78	500	-
Export Import Bank of India of Nil (31 March 2021: INR 1,016,796, 31 March 2020 : INR 991,044, 31 March 2019: INR 981,838) each	-	-	250	254.20	250	247.76	250	245.46
9.90% Icici Bank Limited Sr Dde18At 9.90 Bd Perpetual (31-Dec-2099) of INR 1,056,594 (31 March 2021: INR 1,007,473, 31 March 2020 : INR 1,007,403, March 31, 2019: Nil)	250	264.15	250	258.97	250	251.85	-	-
8.85% Hdfc Bank Basel Iii Perpetual Bonds Series 1/2017-18 (12-May-2060) of 10,21,881 (31 March 2021: INR 1,019,388, 31 March 2020 : INR 989,824, March 31, 2019: Nil)	500	510.94	500	509.69	500	494.91	-	-
<b>d) Bond (Quoted)</b>								
7.09% REC LIMITED SEREIS 185 BD 13DC22 FVRS10LAC of 1,028,662 (31 March 2021: INR 1,031,576, 31 March 2020 : Nil, March 31, 2019: Nil)	400	411.46	400	412.63	-	-	-	-
7.09% REC LIMITED SEREIS 185 BD 31DC22 FVRS10LAC of 1,035,154 (31 March 2021: INR 1,038,212, 31 March 2020 : Nil, March 31, 2019: Nil)	100	103.52	100	103.82	-	-	-	-
7.35% POWER FINANCE CORPORATION LTD. SERIES 191 BD 15OT22 FVRS10LAC of 1,032,350 (31 March 2021: INR 1,035,969, 31 March 2020 : Nil, March 31, 2019: Nil)	200	206.47	200	207.19	-	-	-	-
9.02% REC BONDS 22/11/2022 of 1,111,146.94 (31 March 2021: INR 1,094,999 31 March 2020 : Nil, March 31, 2019: Nil)	250	277.79	250	273.75	-	-	-	-
<b>e) Non Convertible Debentures (Quoted)</b>								
8.6308% Kotak Mahindra Investments Limited Sr008 Ncd 29Jl21 Fvrs 1,000,000 (29-Jul-2021) of Nil (31 March 2021: Nil, March 31, 2020 : INR 1,016,138, March 31, 2019 : Nil)	-	-	-	-	750	762.10	-	-
8.30% Tata Capital Financial Services Limited Sr Ncd 04Ju21 of Nil (31 March 2021: Nil, 31 March 2020 : INR 997,747.31 March 2019: Nil)	-	-	-	-	500	498.87	-	-
8.80% Tata Capital Financial Services Limited Sr I Cat Iii&Iv 8.8 Ncd of Nil (31 March 2021: Nil, 31 March 2020 : INR 1,009, 31 March 2019: Nil ) 27Sp21	-	-	-	-	5,00,000	501.79	-	-
9.45% State Bank Of India Ncd Fv10Lac 22Mar2030 (22-Mar-2030) of 1,091,228 (31 March 2021: INR 1,035,473, 31 March 2020 :INR 1,013,561, 31 March 2019: Nil)	500	545.61	500	517.74	500	506.78	-	-
SIKKA PORTS & TERMINALS LIMITED 8.45 NCD 12JU23 FVRS10LAC LOA UPTO 10SP13 (12-Jun-2023) of Nil (31 March 2021: INR 1,061,286, 31 March 2020 :Nil, 31 March 2019: Nil)	-	-	250	265.32	-	-	-	-
R.I.L. PPD-13 8 NCD 16AP23 FVRS10LAC LOA UPTO 19AG18 of Nil (31 March 2021: INR 1,136,338, 31 March 2020 :Nil, 31 March 2019: Nil)	-	-	400	454.54	-	-	-	-
NABARD SR 20K 6.40 LOA 31JL23 FVRS10LAC of Nil (31 March 2021: INR 1,071,882, 31 March 2020 :Nil, 31 March 2019: Nil)	-	-	400	428.75	-	-	-	-
		<u>2,867.10</u>		<u>4,205.89</u>		<u>3,772.39</u>		<u>247.01</u>

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**6. Financial Assets - Investments - Current**

Particulars	As at		As at		As at		As at	
	No. of Units	30 June 2021	No. of Units	31 March 2021	No. of Units	31 March 2020	No. of Units	31 March 2019
<b>Investments at fair value through profit and loss (FVTPL)</b>								
<b>a) Bond (Quoted)</b>								
6.99% REC LIMITED SR 193 6.99 BD 31DC21 FVRS10LAC of INR 1,014,488 (31 March 2021: INR 1,020,864 31 March 2020 : Nil, March 31, 2019: Nil)	200	202.90	200	204.17	-	-	-	-
Export Import Bank of India of INR 10,04,778 (31 March 2021: Nil, 31 March 2020 : Nil, 31 March 2019: Nil)	250	251.19	-	-	-	-	-	-
<b>b) Non Convertible Debentures (Quoted)</b>								
Kotak Mahindra Investments Limited Sr008 Ncd 29Jl21 Fvrs 1,000,000 (29-Jul-2021) of INR 1,083,267 (31 March 2021: INR 1,073,533, 31 March 2020 : Nil March 31, 2019 : Nil)	750	812.45	750	805.15	-	-	-	-
Kotak Mahindra Investment Ltd SR-0017.9 NCD of Nil (31 March 2021: Nil, 31 March 2020 : Nil , 31 March 2019: INR 1,000,000)	-	-	-	-	-	-	100	100.01
11.50% Housing Development Finance Corporation Ltd Sr-R-010 Rr Ncd 22Ju20 Fvrs1Cr (22-Jun-2020) of Nil (31 March 2021: Nil, 31 March 2020 : INR 10,489,740 , 31 March 2019 : Nil)	-	-	-	-	-	-	-	-
7.55% Hdb Financial Services Limited Sra/1/108 Ncd 19Ju20 (19-Jun-2020) of Nil (31 March 2021: Nil, 31 March 2020 : INR 1,002,736, 31 March 2019: Nil)	-	-	-	-	50	524.49	-	-
Housing Development Finance Corporation Ltd Sr-R-016 Rr Ncd 16Sp20 Fvrs1Cr (16-Sep-2020) of Nil (31 March 2021: Nil, 31 March 2020: INR 10,198,860, 31 March 2019: Nil)	-	-	-	-	250	250.68	-	-
9.02% Lic Housing Finance Limited Tr371 Ncd03De20 of Nil (31 March 2021: Nil, 31 March 2020 : INR 1,013,524, 31 March 2019: Nil) Fvrs10Lac Loauto27De18 (03-Dec-2020)	-	-	-	-	50	509.94	-	-
7.70% Tata Capital Financial Services Limited 10-07-2020 of Nil (31 March 2021: Nil, 31 March 2020 : INR 1,000,071, 31 March 2019 : Nil)	-	-	-	-	1,000	1,013.52	-	-
Lic Housing Finance Limited Tranche 263 Opt 2 8.67 Loa 26Ag20 Fvrs10Lac Of Nil ( 31 March 2021: Nil, 31 March 2020 : INR. 1,006,877, 31 March 2019: Nil)	-	-	-	-	500	500.04	-	-
Kotak Mahindra Investment Limited SR025 NCD 23JL20FVRS10LAC of Nil ( 31 March 2021: Nil, 31 March 2020 : INR 1,134,366 , 31 March 2019 : Nil)	-	-	-	-	250	251.72	-	-
8.30% Tata Capital Financial Services Limited Sr Ncd 04Ju21 of Nil (31 March 2021: INR 1,007,423, 31 March 2020 :Nil,31 March 2019: Nil)	-	-	-	-	880	995.05	-	-
8.80% Tata Capital Financial Services Limited Sr I Cat Iii&Iv 8.8 Ncd of INR 1010.92 (31 March 2021: INR 1,020.43, 31 March 2020 : Nil, 31 March 2019: Nil ) 27Sp21	-	-	500	503.71	-	-	-	-
	5,00,000	505.46	5,00,000	510.22	-	-	-	-
<b>c) Commercial Papers</b>								
Kotak Mahindra Prime Ltd Cp 07-May-2020 of Nil (31 March 2021: Nil, 31 March 2020: INR 460,617, 31 March 2019: Nil)	-	-	-	-	1,000	460.62	-	-
HDB Financial Services Limited Cp 06-May-2020 of Nil (31 March 2021: Nil, 31 March 2020: INR 460,716 , 31 March 2019: Nil)	-	-	-	-	1,000	460.72	-	-
<b>d) Quoted Mutual funds</b>								
Aditya Birla Sun Life Overnight fund - Direct Plan -Growth of INR 1,121.8776 (31 March 2021: Nil, 31 March 2020: NIL ,31 March 2019: INR 1,026.25)	35,74,644	4,010.31	-	-	-	-	7,32,431	751.66
Hdfc Overnight Fund - Direct Plan - Growth Option of INR 3,082.1086 (31 March 2021: Nil, 31 March 2020: NIL, 31 March 2019: Rs 2,822.37 )	13,27,138	4,090.38	-	-	-	-	15,71,880	4,436.44
ICICI Pru Overnight Fund Direct-G of INR 111.8592 (31 March 2021: Nil, 31 March 2020: NIL, 31 March 2019: Rs 102.38)	3,58,50,268	4,010.18	-	-	-	-	2,20,38,911	2,256.33
Kotak Overnight Fund - Direct Plan - Growth of INR 1,106.5356 (31 March 2021: Nil, 31 March 2020: NIL, 31 March 2019: Rs 1,012)	36,23,747	4,009.81	-	-	-	-	7,42,070	751.63
SBI Overnight Direct-Growth of INR 3,378.3124 (31 March 2021: Nil, 31 March 2020: Nil, 31 March 2019: INR 3,092)	11,87,058	4,010.25	-	-	-	-	7,29,641	2,256.29
Uti Overnight Fund - Direct Plan - Growth of Nil (31 March 2021: Nil, 31 March 2020: Nil,31 March 2019: INR 2,597.39 )	-	-	-	-	-	-	2,89,409	751.71
Birla Sunlife Floating rate fund of Nil (31 March 2021: Nil, 31 March 2020: Nil, 31 March 2019: Rs 300.43)	-	-	-	-	-	-	667	0.20
Aditya Birla Sun Life Overnight fund - Direct Plan -Growth of Nil (31 March 2021: Nil, 31 March 2020: INR1,080.25, 31 March 2019: Nil)	-	-	-	-	5,50,778	594.97	-	-
Aditya Birla Sun Life Liquid Fund - Dir - Growth of Nil (31 March 2021: Nil, 31 March 2020: INR 319.55, 31 March 2019: Nil)	-	-	-	-	27,42,340	876.34	-	-
HDFC Liquid Fund - Dir - Growth of Nil (31 March 2021: Nil, 31 March 2020: INR 3,906.61, 31 March 2019 : Nil)	-	-	-	-	71,813	280.55	-	-
Axis Banking & PSU Debt Direct-Growth of INR 2,121.91 (31 March 2021: INR 2097.79, 31 March 2020: INR 1,940.99, 31 March 2019 : Nil)	1,98,748	421.73	1,98,748	416.93	1,98,748	385.77	-	-
Bharat Bond ETF 2023-Growth of INR 1,131.45 (31 March 2021: INR 1,116.98, 31 March 2020: INR 1,023.53, 31 March 2019 : Nil)	21,55,568	1,105.44	21,55,568	2,407.74	9,77,007	1,000.00	-	-
Bharat Bond FOF Apr-2025-Growth of INR 10.40 (31 March 2021: INR 10.23, 31 March 2020: Nil, 31 March 2019 : Nil)	3,91,44,647	407.23	3,91,44,647	400.60	-	-	-	-
IDFC Corporate Bond Direct-Growth of INR 15.48 (31 March 2021: INR 15.26, 31 March 2020: Nil, 31 March 2019 : Nil)	6,73,86,617	1,043.64	6,73,86,617	1,028.84	-	-	-	-
Direct Plan-Kotak Floating of INR 1,181.68 (31 March 2021: INR 1,157.0536, 31 March 2020: Nil, 31 March 2019 : Nil)	6,89,929	815.28	6,89,929	798.28	-	-	-	-
Bharat Bond ETF 2023-Growth of 1,136.37 (31 March 2021: Nil, 31 March 2020: Nil, 31 March 2019 : Nil)	11,78,561	1,339.28	-	-	-	-	-	-
		<u>27,035.53</u>		<u>7,075.64</u>		<u>8,104.41</u>		<u>11,304.27</u>
<b>Aggregate book value of quoted investments</b>		29,266.13		10,796.76		11,717.00		11,525.00
<b>Aggregate market value of quoted investments</b>		29,901.09		11,279.98		11,875.25		11,549.73
<b>Aggregate amount of unquoted investments</b>		1.55		1.55		1.55		1.55

**7. Trade receivables**

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Trade receivables	6,949.88	5,945.82	6,013.31	2,146.50
<b>Total trade receivables</b>	<b>6,949.88</b>	<b>5,945.82</b>	<b>6,013.31</b>	<b>2,146.50</b>

**Break-up for security details:**

Particulars	As at	As at	As at	As at
	30 June 2021	31 March, 2021	31 March, 2020	31 March, 2019
<b>Trade receivables</b>				
Unsecured, considered good	6,949.88	5,945.82	6,013.31	2,146.50
Trade Receivables-credit impaired	2,497.92	2,076.13	869.37	546.99
	<b>9,447.80</b>	<b>8,021.95</b>	<b>6,882.68</b>	<b>2,693.49</b>

**Impairment Allowance (allowance for bad and doubtful debts)**

Trade Receivables-credit impaired	(2,497.92)	(2,076.13)	(869.37)	(546.99)
	<b>(2,497.92)</b>	<b>(2,076.13)</b>	<b>(869.37)</b>	<b>(546.99)</b>

**Total Trade receivables**

**6,949.88      5,945.82      6,013.31      2,146.50**

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 40

**Dues from companies in which the company's non-executive directors is a director:**

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Bata India Limited	3.18	7.29	12.52	3.74
Glaxosmithkline Pharmaceuticals Limited *	-	0.00	-	-
Apollo Tyres Limited	65.86	41.04	29.97	-
Siemens Limited	2.91	2.27	1.95	-
Voltas Limited	1,071.56	735.96	239.03	1.09
C&S Electric Limited	0.79	2.62	3.63	-
Tata Motors Limited	89.43	67.15	-	-
Oravel Stays Pvt. Ltd.	-	-	3.06	5.61
Snapdeal Private Limited	-	-	46.75	20.22

\* Value less than INR 1 Lakhs

The allowance for doubtful accounts as of 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019 and changes in the allowance for doubtful accounts for the period and year ended as of that are as follows:

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
<b>Opening balance</b>	2,076.13	869.37	546.99	179.40
Add: Provision/ (reversal) of trade receivables - credit impaired	475.63	1,435.08	543.48	384.59
Less: Write offs, net of recoveries	(53.84)	(228.32)	(221.10)	(17.00)
<b>Closing balance</b>	<b>2,497.92</b>	<b>2,076.13</b>	<b>869.37</b>	<b>546.99</b>

Trade receivables ageing Schedules for the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019:

Particulars	Outstanding as at 31 March 2019 from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	790.79	1,225.85	59.75	19.33	44.83	5.95	2,146.50
(ii) Undisputed Trade Receivables – credit impaired	-	-	1.32	55.26	11.21	1.06	68.85
(iii) Disputed Trade Receivables – credit impaired	40.07	134.95	225.04	50.28	23.84	3.96	478.14

Particulars	Outstanding as at 31 March 2020 from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,257.92	2,973.68	589.94	134.39	24.79	32.59	6,013.31
(ii) Undisputed Trade Receivables – credit impaired	0.08	4.28	18.38	55.11	31.26	33.18	142.29
(iii) Disputed Trade Receivables – credit impaired	66.10	102.86	215.93	281.87	53.53	6.79	727.08

Particulars	Outstanding as at 31 March 2021 from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(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 – credit impaired	1.72	12.40	498.39	244.50	120.53	102.88	980.43
(iii) Disputed Trade Receivables – credit impaired	80.12	65.83	469.39	395.86	67.49	17.01	1,095.70

Particulars	Outstanding as at 30 June 2021 from the due date of payment						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	270.87	4,834.67	1,069.11	687.46	29.49	58.29	6,949.88
(iii) Undisputed Trade Receivables – credit impaired	11.31	33.22	69.53	174.75	153.86	113.74	556.41
(iii) Disputed Trade Receivables – credit impaired	92.99	210.77	819.93	658.43	129.30	30.09	1,941.51

**8. Cash and cash equivalents**

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
<b>Balances with banks:</b>				
– On current accounts	1,668.16	2,258.63	1,200.38	1,126.39
– In deposit account (with original maturity of less than three months)	-	500.00	-	15,500.00
	<b>1,668.16</b>	<b>2,758.63</b>	<b>1,200.38</b>	<b>16,626.39</b>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
<b>Balances with banks:</b>				
– On current accounts	1,668.16	2,258.63	1,200.38	1,126.39
– In deposit account (with original maturity of less than three months)	-	500.00	-	15,500.00
– Bank overdraft repayable on demand (secured) (refer note 16)	-	-	(405.37)	-
	<b>1,668.16</b>	<b>2,758.63</b>	<b>795.01</b>	<b>16,626.39</b>

**9. Other bank balances**

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
<b>Balances with banks:</b>				
– Deposits with original maturity of more than three months but less than 12 months	-	12.95	2,886.62	7.93
– Margin money deposits with original maturity of more than 3 months but less than 12 months	-	2.83	-	-
	<b>-</b>	<b>15.78</b>	<b>2,886.62</b>	<b>7.93</b>

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No - U63090DL2011PTC221234**  
**Annexure VII- Notes to the Restated Consolidated Summary Statements**  
*(All amount in INR Millions unless otherwise stated)*

**10. Loans**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>Unsecured, considered good unless otherwise stated</b>				
Advance to employees*	231.90	264.21	26.80	29.62
	<u>231.90</u>	<u>264.21</u>	<u>26.80</u>	<u>29.62</u>
<b>Breakup of above:</b>				
Non - Current	-	-	-	27.32
Current	231.90	264.21	26.80	2.30

\*Advance to employees include dues from officers and directors (refer note 40)

**11. Other financial assets**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Security deposits	1,128.96	1,065.51	1,088.09	589.82
Margin money deposits *	2,508.50	2,484.66	1,714.50	1,277.33
Deposits with original maturity for more than 12 months	4,105.84	3,442.13	5,469.59	475.55
Other receivables	56.81	54.44	67.12	51.86
Unbilled receivables #	4,824.53	3,668.22	2,748.43	1,414.26
Interest accrued on fixed deposit with banks	86.46	673.79	135.07	23.60
Interest accrued on investments	191.78	239.97	382.83	29.26
Interest accrued on inter company deposits	-	-	-	4.12
Amount recoverable from third party agent- Cash collected on our behalf	125.78	122.94	104.74	127.52
	<u>13,028.66</u>	<u>11,751.66</u>	<u>11,710.37</u>	<u>3,993.32</u>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>				
Other financial assets - credit impaired	(54.34)	(49.78)	(12.51)	(6.12)
	<u>12,974.32</u>	<u>11,701.88</u>	<u>11,697.86</u>	<u>3,987.20</u>
<b>Break up of the above:</b>				
<b>Non-current</b>				
<b>Unsecured, considered good, unless stated otherwise</b>				
Security deposits	732.64	677.09	427.31	289.27
Margin money deposits *	1,429.52	-	1,351.57	1,262.63
Deposits with original maturity for more than 12 months	3,940.68	209.53	3,464.19	475.06
Other receivables	-	-	10.69	8.11
Interest accrued on fixed deposits with banks	-	-	-	0.96
	<u>6,102.84</u>	<u>886.62</u>	<u>5,253.76</u>	<u>2,036.03</u>
<b>Current</b>				
<b>Unsecured, considered good, unless stated otherwise</b>				
Security deposits	396.32	388.42	660.78	300.55
Security deposits - Credit impaired	(22.90)	(18.34)	(12.51)	(6.12)
Margin money deposits *	1,078.98	2,484.66	362.93	14.70
Deposits with original maturity for more than 12 months	165.16	3,232.60	2,005.39	0.49
Other receivables	56.81	54.44	56.43	43.75
Other receivables - Credit impaired	(31.44)	(31.44)	-	-
Unbilled receivable	4,824.53	3,668.22	2,748.43	1,414.26
Interest accrued on fixed deposits with banks	86.46	673.79	135.07	22.64
Interest accrued on investments	191.78	239.97	382.84	29.26
Interest accrued on inter company deposits (refer note 40 )	-	-	-	4.12
Amount recoverable from third party agent- Cash collected on our behalf	125.78	122.94	104.74	127.52
Money Held in Trust	1,958.70	1,425.37	396.47	1,212.70
Less: Liabilities against money held in trust	(1,958.70)	(1,425.37)	(396.47)	(1,212.70)
	<u>6,871.48</u>	<u>10,815.26</u>	<u>6,444.10</u>	<u>1,951.17</u>
<b>* Margin money deposits include deposits given to the following :</b>				
Banks	2,208.50	2,187.50	1,637.50	1,237.50
Vendors	100.00	100.00	10.00	10.00
Customers	200.00	200.00	67.00	29.83
<b>Total</b>	<u>2,508.50</u>	<u>2,487.50</u>	<u>1,714.50</u>	<u>1,277.33</u>

\* Includes amount of INR 2.83 Millions in 31 March 2021 of margin money deposit with original maturity of more than 3 months (refer note 9)

# 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.

**12. Non - Current tax assets (net)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Advance income tax	913.13	1,231.69	1,050.15	596.45
	<u>913.13</u>	<u>1,231.69</u>	<u>1,050.15</u>	<u>596.45</u>
<b>Breakup of above:</b>				
Non-Current	913.13	1,231.69	1,050.15	596.45
	<u>913.13</u>	<u>1,231.69</u>	<u>1,050.15</u>	<u>596.45</u>

**13. Other assets**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Capital advances	101.44	34.34	7.03	69.52
Prepaid expenses	132.02	149.01	126.36	98.05
Balance with statutory / government authorities	573.87	572.31	520.32	313.46
Advance to suppliers	1,377.01	476.76	238.10	85.69
	<u>2,184.34</u>	<u>1,232.42</u>	<u>891.81</u>	<u>566.72</u>
<b>Impairment allowance (allowance for bad and doubtful debts)</b>				
Impairment allowance	(17.21)	(14.79)	(4.53)	(1.43)
	<u>2,167.13</u>	<u>1,217.63</u>	<u>887.28</u>	<u>565.29</u>
<b>Break up of the above:</b>				
<b>Unsecured, considered good, unless stated otherwise</b>				
<b>Non - current</b>				
Capital advances	101.44	34.34	7.03	69.52
Capital advances - impairment allowance	-	(0.26)	(0.26)	-
Prepaid expenses	13.39	13.39	5.35	63.34
Balance with statutory / government authorities	-	-	1.52	1.41
	<u>114.83</u>	<u>47.47</u>	<u>13.64</u>	<u>134.27</u>
<b>Current</b>				
<b>Unsecured, considered good, unless stated otherwise</b>				
Prepaid expenses	118.63	135.62	121.01	34.71
Balance with statutory /government authorities	-	-	-	-
- Goods and service tax	573.87	572.31	470.70	312.05
- other balance with government authorities	-	572.31	48.10	-
Advance to suppliers	1,377.01	476.76	238.10	85.69
Advance to suppliers - impairment allowance	(17.21)	(14.53)	(4.27)	(1.43)
	<u>2,052.30</u>	<u>1,170.16</u>	<u>873.64</u>	<u>431.02</u>

**14. Inventories**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Packing material and consumables	220.36	259.48	178.32	226.33
Trading goods	62.30	-	-	-
	<u>282.66</u>	<u>259.48</u>	<u>178.32</u>	<u>226.33</u>

Inventory written off during the period / year is Nil (31 March 2021: Nil, 31 March 2020: INR 75.60 Millions, 31 March 2019: Nil)

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No - U63090DL2011PTC221234**  
**Annexure VII- Notes to the Restated Consolidated Summary Statements**  
*(All amount in INR Millions unless otherwise stated)*

**15 (a) Share capital**

**Authorised share capital**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>Equity Shares</b>				
2,200,228 (31 March 2021: 2,200,228, 31 March 2020: 2,000,228, 31 March 2019: 1,360,228) equity shares of INR 10/- each	22.00	22.00	20.00	13.60
<b>Instruments entirely equity in nature</b>				
300,000 (31 March 2021: 300,000, 31 March, 2020: 300,000 31 March, 2019: 300,000) 0.001% cumulative compulsorily convertible preference shares of face value of INR 10/- each ("Series A")	3.00	3.00	3.00	3.00
4,310,337 (31 March 2021: 4,310,337, 31 March 2020: 4,235,337, 31 March 2019: 4,235,337) 0.001% Cumulative Compulsorily Convertible Preference Shares of face value of INR 100/- each ( "Series B, C, D, D1, E, F,G and H")	431.03	431.03	423.53	423.53
	<b>456.03</b>	<b>456.03</b>	<b>446.53</b>	<b>440.13</b>

**Issued, subscribed and fully paid-up shares**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>Equity shares</b>				
1,633,585 (31 March 2021: 1,629,229, 31 March 2020: 974,952, 31 March 2019: 958,395) equity shares of INR 10 each fully paid up	16.33	16.29	9.75	9.58
38,701 (31 March 2021: 38,701, 31 March 2020: Nil, 31 March 2019: Nil) equity shares of INR 1 each partly paid up	0.05	0.04	-	-
	<b>16.38</b>	<b>16.33</b>	<b>9.75</b>	<b>9.58</b>
<b>Instruments entirely equity in nature</b>				
Nil (31 March 2021: Nil, 31 March 2020: 291,667, 31 March 2019:291,667) 0.001% cumulative compulsorily convertible preference shares of INR 10 each - Series A	-	-	2.92	2.92
217,562 (31 March 2021: 217,562, 31 March 2020: 448,719, 31 March 2019: 448,719) 0.001% cumulative compulsorily convertible preference shares of INR 100 each - Series B	21.77	21.77	44.87	44.87
365,310 (31 March 2021: 365,310, 31 March, 2020: 478,434, 31 March, 2019: 478,434) 0.001% cumulative compulsorily convertible preference shares of INR 100 each - Series C	36.53	36.53	47.84	47.84
653,551(31 March 2021: 653,551, 31 March 2020: 653,551, 31 March 2019: 653,551) 0.001% cumulative compulsorily convertible preference shares of INR 100/- each -Series D	65.36	65.36	65.36	65.36
44,479 (31 March 2021: 44,479, 31 March 2020: 48,531, 31 March 2019: 48,531) 0.001% cumulative compulsorily convertible preference shares of INR 100/- each -Series D1	4.45	4.45	4.85	4.85
801,139 (31 March 2021: 801,139, 31 March 2020: 801,139 March, 2019: 801,139) 0.001% cumulative compulsorily convertible preference shares of INR 100/- each -Series E	80.11	80.11	80.11	80.11
1,457,694 (31 March 2021: 1,457,694, 31 March 2020: 1,457,694, 31 March 2019: 1,457,694) 0.001% cumulative compulsorily convertible preference shares of INR 100/- Series F	145.77	145.77	145.77	145.77
563,349 (31 March 2021: Nil, 31 March 2020: Nil, 31 March 2019: Nil) 0.001% cumulative compulsorily convertible preference shares of INR 100/- Series H	56.34	-	-	-
	<b>410.33</b>	<b>353.99</b>	<b>391.72</b>	<b>391.72</b>

**i) Reconciliation of the equity shares outstanding at the beginning of the period/ year and at the end of the reporting period / year**

Particulars	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
At the beginning of the period/ year	16,67,930	16.33	9,74,952	9.75	9,58,395	9.58	958395	9.58
Add: Issued during the period /year	4,356	0.05	14,277	0.14	16,557	0.17	-	-
Add: Issued during the period /year (INR 1 Paid)	-	-	38,701	0.04	-	-	-	-
Add: Conversion of cumulative compulsorily convertible preference shares	-	-	6,40,000	6.40	-	-	-	-
<b>Outstanding at the end of the period/ year</b>	<b>16,72,286</b>	<b>16.38</b>	<b>16,67,930</b>	<b>16.33</b>	<b>9,74,952</b>	<b>9.75</b>	<b>9,58,395</b>	<b>9.58</b>

**Instruments Entirely Equity in Nature (CCCPS - Series A, B, C, D, D1, E, F and H)**

Particulars	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
At the beginning of the period / year								
- Series A	-	-	2,91,667	2.92	2,91,667	2.92	-	-
- Series B	2,17,562	21.77	4,48,719	44.87	4,48,719	44.87	-	-
- Series C	3,65,310	36.53	4,78,434	47.84	4,78,434	47.84	-	-
- Series D	6,53,551	65.36	6,53,551	65.36	6,53,551	65.36	-	-
- Series D1	44,479	4.45	48,531	4.85	48,531	4.85	-	-
- Series E	8,01,139	80.11	8,01,139	80.11	8,01,139	80.11	-	-
- Series F	14,57,694	145.77	14,57,694	145.77	14,57,694	145.77	-	-
- Series H	-	-	-	-	-	-	-	-
Conversion of instrument entirely equity in nature *								
- Series A	-	-	-	-	-	-	2,91,667	2.92
- Series B	-	-	-	-	-	-	4,48,719	44.87
- Series C	-	-	-	-	-	-	4,78,434	47.84
- Series D	-	-	-	-	-	-	6,53,551	65.36
- Series D1	-	-	-	-	-	-	48,531	4.85
- Series E	-	-	-	-	-	-	8,01,139	80.11
Issued during the period/ year								
- Series F	-	-	-	-	-	-	14,57,694	145.77
- Series H	5,63,349	56.34	-	-	-	-	-	-
Converted to equity shares during the year								
- Series A	-	-	(2,91,667)	(2.92)	-	-	-	-
- Series B	-	-	(2,31,157)	(23.10)	-	-	-	-
- Series C	-	-	(1,13,124)	(11.31)	-	-	-	-
- Series D1	-	-	(4,052)	(0.40)	-	-	-	-
<b>Outstanding at the end of the period/ year</b>	<b>41,03,084</b>	<b>410.33</b>	<b>35,39,735</b>	<b>353.99</b>	<b>41,79,735</b>	<b>391.72</b>	<b>41,79,735</b>	<b>391.72</b>

\* As per the terms and conditions of issue of CCCPS, Company had given a right to the holders of CCCPS to require the Company to buyback CCCPS held by investors at reasonable approximation of fair market value in the event initial public offering (IPO) do not occur for specified period. The company assessed the probability of these rights and obligations leading to an outflow of cash or other resources, to be remote. However, based on terms of the agreement and its evaluation under IND AS 32, the CCCPS had been classified as financial instrument in the nature of financial liability designated to be measured at fair value through profit or loss at each reporting period until these CCCPS are converted into equity shares as per the conditions stated above.

Fair value of the instruments were determined based on discounted cash flow valuation technique using cash flow projections and financial projections/budgets approved by the management. Gain/loss on subsequent re-measurement has been recognised through restated consolidated summary statement of profit and loss and is disclosed as "Fair value loss on financial instruments at fair value through profit or loss".

During the year ended 31 March 2019, the terms and conditions in the shareholders' agreement had been modified to not include the share buy-back clause w.e.f.20 December 2018. Accordingly as per the requirements of IND AS, the company has extinguished the financial liability at the time of modification in terms amounting to INR 44,546.60 Millions and credited Instruments entirely equity in nature of INR 245.90 Millions and Securities Premium of INR 44,300.70 Millions (INR 28,804.30 Millions pertaining to fair value changes and INR 15,496.40 Millions securities premium received in cash on issue of CCCPS in respective years) respectively. It has resulted into increase in securities premium by INR 28,804.30 Millions on account of fair value changes and resulting in net balance of INR 73,947.70 Millions as at 31 March 2019.

**ii) Terms and rights attached to equity shares**

The company has only one class of equity shares having a par value of INR 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in Annual General Meeting.

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.

**iii) 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 INR 10 each fully paid-up at a premium of 215.94 per share on 30 April 2012 and 01 November 2012 respectively, Series B - 448,719 CCCPS of INR 100 each fully paid-up at a premium of INR 680 per share on 26 September 2013, Series C - 478,434 CCCPS of INR 100 each fully paid-up at a premium of INR 2,164.20 per share on 09 September 2014, Series D - 653,551 CCCPS of INR 100 each fully paid-up at a premium of INR 7,650 per share on 08 May 2015, Series D1 - 48,531 CCCPS of INR 100 each fully paid-up at a premium of INR 9,959 per share on 17 October 2016, Series E - 640,911, 160,228 CCCPS of INR 100 each fully paid-up at a premium of INR 10,747 per share on 22 March 17 and 17 May 2017 respectively and Series F 1,457,694 shares of INR 100 each fully paid at a premium of INR 19,726 per share on 07 March 2019 and 29 March 2019 respectively and Series H 563,349 shares of Rs. 100 fully paid up at a premium of INR 35,555 per share on 31 May 2021.

These CCCPS will be converted into equity shares of the Company in the ratio of 1:1 at the earlier of:

- (i) 19 years and 11 months from the date of issue of the respective CCCPS; or
- (ii) if at any time after their issuance, the Company proposes to file a DRHP for a firmly underwritten issue of shares to the public, if the Shareholders of the Company have consented to the Qualified IPO under the provisions of the agreement between the company and the holders of CCCPS.

**Voting Rights**

The Investor shall have right to vote pro-rata to their shareholding on "as if converted basis"

**Liquidation**

The holders of each series of Investor Securities (other than the 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 Share

**Rank**

These CCCPS will be senior to the equity shares of the Group.

**iv) Details of Shareholders holding more than 5% shares in the Company**

Equity shares of INR 10 each fully paid up

Name of shareholder	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Suraj Saharan	1,14,000	6.82%	1,14,000	6.83%	1,19,500	12.26%	1,28,199	13.38%
Mohit Tandon	1,16,642	6.98%	1,16,642	6.99%	1,22,142	12.53%	1,28,752	13.43%
Kapil Bharati	54,092	3.23%	54,092	3.24%	50,752	5.21%	51,752	5.40%
Sahil Barua	1,20,625	7.21%	1,20,625	7.23%	1,27,285	13.06%	1,31,285	13.70%
Multiples Private Equity Fund I Limited	-	-	38,211	2.29%	1,45,159	14.89%	2,70,153	28.19%
Internet Fund III Pre Ltd	1,80,448	10.79%	1,80,448	10.82%	1,80,448	18.51%	1,80,448	18.83%
Canada Pension plan investment board	2,64,457	15.81%	2,64,457	15.86%	93,304	9.57%	-	-
Alpine Opportunity Fund II LP	90,623	5.42%	90,623	5.43%	62,904	6.45%	-	-
Times Internet Limited	3,71,569	22.22%	3,71,569	22.28%	-	-	-	-

**Instruments entirely equity in nature**

**Cumulative Compulsorily Convertible Preference Shares (CCCPS) of INR 10/- each ( Series A)**

Name of shareholder	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Times Internet Limited	-	-	-	-	2,91,667	100.00%	2,91,667	100.00%

**Cumulative Compulsorily Convertible Preference Shares (CCCPS) of INR 100/- each ( Series B, C, D, D1, E, F and H)**

Name of shareholder	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Times Internet Limited	42,946	1.05%	55,020	1.55%	1,97,017	5.07%	1,97,017	5.07%
Nexus Ventures III, Ltd.	5,73,968	13.99%	5,73,968	16.21%	5,73,968	14.76%	7,26,599	18.69%
SVF Doorbell (Cayman) Ltd.	14,02,180	34.17%	14,02,180	39.61%	14,15,933	36.42%	12,35,331	31.77%
Internet Fund III PTE Ltd.	1,98,489	4.84%	1,98,489	5.61%	1,98,489	5.11%	6,66,473	17.14%
CA Swift Investments	4,61,318	11.24%	6,53,915	18.47%	6,53,915	16.82%	6,53,915	16.82%
Deli. Cmf. Pte.Ltd.	2,23,760	5.45%	2,23,760	6.32%	2,23,760	5.76%	2,23,760	5.76%
Canada Pension plan investment board	1,74,358	4.25%	1,74,358	4.93%	3,45,511	8.89%	-	-

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 ownership of shares.

**Shareholding of promoters are disclosed as below:**

Particulars	Shares held by Promoter at the end of the year				% change during the year
	S.No	Promoter Name	No. of shares	% of total shares	
As at 31 March 2019	1	Suraj Saharan	1,28,199	13.38%	-
	2	Mohit Tandon	1,28,752	13.43%	-
	3	Kapil Bharati	51,752	5.40%	-
	4	Sahil Barua	1,31,285	13.70%	-
	5	Bhavesh Kishor Manglani	28,502	2.97%	-

With effect from 31 March 2020, the Group is professionally managed and have no promoters.

**v) 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 36.

vi) The Company had issued 38,701 equity shares of face value of INR 10/- each to certain individuals at an issue price of INR 18,965 per equity share (including premium of INR 18,955 per equity share). In accordance with the terms of issue, INR 2,000 was received from the concerned allottees on application and shares were allotted. The board shall make calls upon the holders of the equity shares in respect of monies unpaid, whether on account of the nominal value of the shares or premium, as and when it deems fit.



**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No - U63090DL2011PTC221234**  
**Annexure VII- Notes to the Restated Consolidated Summary Statements**  
*(All amount in INR Millions unless otherwise stated)*

**15 (b) Other equity**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>Securities Premium</b>				
Balance at the beginning of the period / year	74,306.86	74,069.68	73,947.68	929.24
Add: ESOPs exercised [transferred INR 44.03 Millions (31 March 2021: INR 109.87 Millions, 31 March 2020: INR 109.38 Millions , 31 March 2019: Nil) from share based payment reserve]	52.34	128.87	123.85	-
Add: Premium on conversion of CCCPS from financial liability into instrument entirely equity in nature	-	-	-	44,300.68
Add: Premium on issue of CCCPS	20,029.87	-	-	28,755.19
Add: Securities premium on equity issued during the year	-	77.36	-	-
Add Premium on conversion of preference share to equity share	-	31.35	-	-
Less: Share issue expense	(168.88)	(0.40)	(1.85)	(37.43)
	<b>94,220.19</b>	<b>74,306.86</b>	<b>74,069.68</b>	<b>73,947.68</b>
<b>Share-based Payment Reserve</b>				
Balance at the beginning of the period / year	1,958.22	1,344.99	966.32	586.88
Add: Share based payment expense (refer note 36)	437.20	723.12	488.05	379.44
Less: transferred to securities premium on exercise of stock options	(44.03)	(109.87)	(109.38)	-
	<b>2,351.39</b>	<b>1,958.24</b>	<b>1,344.99</b>	<b>966.32</b>
<b>Retained earnings</b>				
Balance at the beginning of the period / year	(48,279.41)	(44,132.36)	(41,435.48)	(23,462.16)
Ind AS 116 transition adjustment (Refer Annexure VI, Part B)	-	-	244.56	(140.28)
	<b>(48,279.41)</b>	<b>(44,132.36)</b>	<b>(41,190.92)</b>	<b>(23,602.44)</b>
Add: Restated loss for the period / year	(1,295.80)	(4,157.43)	(2,689.26)	(17,833.04)
Add: Re-measurement gains/(losses) on defined benefit plans *	(1.24)	10.38	(7.62)	(0.00)
Add: Effect of adoption of Ind AS 116	-	-	(244.56)	-
	<b>(49,576.45)</b>	<b>(48,279.41)</b>	<b>(44,132.36)</b>	<b>(41,435.48)</b>
<b>Items of other comprehensive income</b>				
Balance at the beginning of the period / year	11.96	20.28	3.01	7.60
Exchange differences on translating the financial statement of foreign operations	2.48	(8.32)	17.27	(4.59)
	<b>14.44</b>	<b>11.96</b>	<b>20.28</b>	<b>3.01</b>
<b>Total reserve and surplus</b>	<b>47,009.57</b>	<b>27,997.65</b>	<b>31,302.59</b>	<b>33,481.53</b>

\* Value less than INR 1 Lakhs

**Nature and purpose of Reserves**

**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.

**Exchange differences on translating the financial statement of foreign operations**

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 restated consolidated summary statement of profit and 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.

**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 restated consolidated summary 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.

#### 16. Borrowings

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March, 2020	31 March 2019
<b>Non-current</b>				
<b>Secured *</b>				
Vehicle loan from bank	247.40	265.95	363.84	97.39
Secured loan from bank	1,509.18	1,720.35	1,298.93	550.89
	<b>1,756.58</b>	<b>1,986.30</b>	<b>1,662.77</b>	<b>648.28</b>
Less: Current maturities of long-term borrowings	(809.80)	(855.05)	(664.75)	(292.08)
	<b>946.78</b>	<b>1,131.25</b>	<b>998.02</b>	<b>356.20</b>
<b>Liability component of compound financial instruments</b>				
Compulsorily Convertible Preference Shares ##	505.00	184.84	-	-
	<b>1,451.79</b>	<b>1,316.09</b>	<b>998.02</b>	<b>356.20</b>
<b>Current</b>				
<b>Secured *</b>				
Bill discounting facility from the Bank (secured) ***	1,162.25	842.29	500.00	287.89
Bank overdraft repayable on demand (secured) #	-	-	405.37	-
	<b>1,162.25</b>	<b>842.29</b>	<b>905.38</b>	<b>287.89</b>
Add: Current maturities of long-term borrowings (refer above)	809.80	855.05	664.75	292.08
<b>Total short term borrowings</b>	<b>1,972.05</b>	<b>1,697.34</b>	<b>1,570.13</b>	<b>579.97</b>

\*Vehicle loans carries interest 7.40% to 9.15% (31 March 2021: 8.7% to 9.15%, 31 March 2020: 8.5% to 9.20% , 31 March 2019 : 8.5% to 9.20%) per annum and are repayable in 35 equated monthly instalments of INR 0.02 Millions ( 31 March 2021: INR 0.02 Millions, 31 March 2020: INR 0.02 Millions, 31 March 2019: INR 0.02 Millions) to INR 0.27 Millions (31 March 2021: INR 0.27 Millions, 31 March 2020: INR 0.08 Millions , 31 March 2019 : INR 0.07 Millions) along with interest. The loan is secured by hypothecation of respective vehicles.

\*\*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 equal instalments in which remaining instalment are Nil (31 March 2021: 5 and 31 March 2020: 17 and 31 March 2019: 29) and 30 equated monthly instalments of INR 11.23 Millions and INR 11.39 Millions along with interest 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.

Further 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 7.7% to 8.45% and are repayable in 48 equated monthly instalments of INR 20.83 Millions and INR 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

\*\*\* Bill discounting facility has been availed from HDFC bank carrying floating rate of 3 Month MCLR plus interest of 0.55% ranging from 7.35% to 8.10% (31 March 2021: 3 Months MCLR plus 0.55% ranging from 7.35% to 8.10%, 31 March 2020: 3 months MCLR plus 0.55% ranging from 8.30% to 8.85%, 31 March 2019 : 3 months MCLR plus 0.55% ranging from 8.5% to 9.50%). The facility is on the bills underlying raised with the respective principals.

Further for the year ended 31 March 2021 bill discounting facility has been availed from Axis bank carrying floating rate of interest of 3 months MCLR plus 0.40% ranging from 7.70% to 7.85%. The facility is on the bills underlying raised with the respective principal. The bill discounting is secured by lien on fixed depts /cash deposit.

# Bank Overdraft (repayable on demand) is from HDFC Bank Limited. This is secured against margin money deposits. The bank overdraft is repayable on demand and carries floating rate of interest on Fixed Deposit plus 0.50%. The rate of interest on FD is 3.75% (31 March 2021: 7.50%, 31 March 2020: 7.50% , 31 March : 6.50%).

Further, Bank Overdraft (repayable on demand) is from Axis Bank Limited. This is secured against margin money deposits. The bank overdraft is repayable on demand and carries floating rate of interest on Fixed Deposit plus 0.45%. The rate of interest on FD is 7.65% till September 2020 and 4% from thereafter.

## 46,441 (31 March 2021: 46,441, 31 March 2020: Nil, 31 March 2019: Nil) 0.001% Series G Cumulative Compulsorily Convertible Preference Shares (CCCPS), having a face value of INR 100/- (Rupees One Hundred Only) each have been issued during the year at an issue price of INR 22,615; called and paid up INR 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 CCCPS in respect of monies unpaid on the Series G CCCPS (whether on account of the nominal value of the shares or premium), as and when it deems fit. After the Series G CCCPS 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 CCCPS 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 CCCPS;
- (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

#### Unused line of credit

The below table provides the details of un-drawn credit facilities that are available to the Group:

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Secured Loan	3,450.00	3,450.00	595.43	850.00
Bill discounting	407.71	407.71	500.00	212.10
	<b>3,857.71</b>	<b>3,857.71</b>	<b>1,095.43</b>	<b>1,062.10</b>

#### 17. Trade Payables

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Trade payables				
Total outstanding dues of micro enterprises and small enterprises (refer note 42 for details of due to micro and small enterprises)	7.65	20.52	7.97	0.61
Total outstanding dues of creditors other than micro enterprises and small enterprises*	5,125.70	4,401.78	2,725.53	1,605.92
	<b>5,133.35</b>	<b>4,422.30</b>	<b>2,733.50</b>	<b>1,606.53</b>
<b>Breakup of above-</b>				
Non-current	-	-	1.10	24.75
Current	5,133.35	4,422.30	2,732.40	1,581.78
<b>Total</b>	<b>5,133.35</b>	<b>4,422.30</b>	<b>2,733.50</b>	<b>1,606.53</b>

\* For terms and conditions relating to related party payables, refer note 40

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 to note 40.2.

#### Trade payable ageing Schedules for the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019:

Particulars	Outstanding for the year ended 31 March 2019 from the due date of payment					
	Not due	Less than 1 year	1-2 year	2- 3 years	More the 3 years	Total
(i) MSME	-	0.61	-	-	-	0.61
(ii) Others	795.49	754.74	23.51	17.64	14.55	1,605.92
	<b>795.49</b>	<b>755.35</b>	<b>23.51</b>	<b>17.64</b>	<b>14.55</b>	<b>1,606.53</b>
Particulars	Outstanding for the year ended 31 March 2020 from the due date of payment					
	Not due	Less than 1 year	1-2 year	2- 3 years	More the 3 years	Total
(i) MSME	-	7.97	-	-	-	7.97
(ii) Others	1,324.06	1,331.02	27.88	16.28	26.30	2,725.53
	<b>1,324.06</b>	<b>1,338.98</b>	<b>27.88</b>	<b>16.28</b>	<b>26.30</b>	<b>2,733.50</b>

Particulars	Outstanding for the year ended 31 March 2021 from the due date of payment					Total
	Not due	Less than 1 year	1-2 year	2- 3 years	More the 3 years	
(i) MSME	-	20.52	-	-	-	20.52
(ii) Others	2,896.07	1,394.49	53.41	18.82	39.00	4,401.78
	<b>2,896.07</b>	<b>1,415.01</b>	<b>53.41</b>	<b>18.82</b>	<b>39.00</b>	<b>4,422.30</b>

Particulars	Outstanding for the period ended 30 June 2021 from the due date of payment					Total
	Not due	Less than 1 year	1-2 year	2- 3 years	More the 3 years	
(i) MSME	-	7.65	-	-	-	7.65
(ii) Others	3,544.27	1,452.66	69.44	17.73	41.60	5,125.70
	<b>3,544.27</b>	<b>1,460.31</b>	<b>69.44</b>	<b>17.73</b>	<b>41.60</b>	<b>5,133.35</b>

#### 18. Other financial liabilities

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Capital creditors	347.37	375.66	315.20	75.60
Interest accrued and not due on borrowings	10.75	1.59	8.32	3.75
Employee benefits payable	486.79	586.95	450.39	324.02
Security deposits	141.00	131.69	84.27	23.47
Employee welfare fund	15.07	14.18	28.31	13.09
Amount payable, collected on behalf of the customers	154.12	195.68	210.41	243.95
	<b>1,155.10</b>	<b>1,305.75</b>	<b>1,096.90</b>	<b>683.88</b>

#### Breakup of the above:

##### Current

Capital creditor	347.37	375.66	315.20	75.60
Interest accrued and not due on borrowings	10.75	1.59	8.32	3.75
Employee benefits payable	486.79	586.95	450.39	324.02
Security deposits	141.00	131.69	84.27	23.47
Employee welfare fund	15.07	14.18	28.31	13.09
Amount payable, collected on behalf of the customers	154.12	195.68	210.41	243.95
	<b>1,155.10</b>	<b>1,305.75</b>	<b>1,096.90</b>	<b>683.88</b>

#### 19. Provisions

Particulars	As at	As at	As at	As at
	30 June 2021	31 March, 2021	31 March 2020	31 March 2019
<b>Provisions for employee benefits</b>				
Provisions for gratuity (refer note 35)	242.08	225.15	171.86	108.92
Provisions for compensated absences	116.58	110.78	95.89	64.52
	<b>358.66</b>	<b>335.93</b>	<b>267.75</b>	<b>173.44</b>
<b>Other provisions</b>				
Provision for asset retirement obligation	6.30	4.90	1.99	2.96
	<b>364.96</b>	<b>340.83</b>	<b>269.74</b>	<b>176.40</b>

#### Breakup of above-

##### Non-current

Provisions for gratuity (refer note 35)	229.86	214.26	164.13	105.94
Provision for asset retirement obligation	6.30	4.90	1.99	2.96
	<b>236.16</b>	<b>219.16</b>	<b>166.12</b>	<b>108.90</b>

##### Current

Provisions for gratuity (refer note 35)	12.22	10.89	7.73	2.98
Provisions for compensated absences	116.58	110.78	95.89	64.52
	<b>128.80</b>	<b>121.67</b>	<b>103.62</b>	<b>67.50</b>

	Asset retirement obligation
<b>As at 01 April 2018</b>	<b>2.70</b>
Arising during the year	0.26
Utilised during the year	-
<b>As at 31 March 2019</b>	<b>2.96</b>
Arising during the year	-
Utilised during the year	(0.97)
<b>As at 31 March 2020</b>	<b>1.99</b>
Arising during the year	2.97
Utilised during the year	(0.06)
<b>As at 31 March 2021</b>	<b>4.90</b>
Arising during the period	1.40
Utilised during the period	-
<b>As at 30 June 2021</b>	<b>6.30</b>

#### 20. Other current liabilities

Particulars	As at	As at	As at	As at
	30 June 2021	31 March, 2021	31 March, 2020	31 March, 2019
<b>Others</b>				
- Advance from customers	534.15	171.81	38.00	49.14
<b>Statutory dues</b>				
- Withholding tax payable	138.48	138.07	132.06	83.86
- Provident fund payable	50.71	49.60	39.15	29.48
- Employee's state insurance payable	4.03	4.48	3.97	4.42
- Professional tax payable	8.28	5.80	3.27	2.37
- Labour welfare fund payable	0.14	0.14	0.11	0.11
- Goods & service tax payable	5.63	1.00	3.52	-
	<b>741.42</b>	<b>370.90</b>	<b>220.08</b>	<b>169.38</b>

**21. Revenue from contract with customers**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Sale of services</b>				
Revenue from services*	11,539.12	36,354.38	27,748.25	16,538.97
<b>Sale of goods</b>				
Revenue from sale of traded goods	1,638.10	110.89	57.50	-
	<b>13,177.22</b>	<b>36,465.27</b>	<b>27,805.75</b>	<b>16,538.97</b>
*includes				
Revenue from Express Parcel services	7,854.29	25,505.15	19,288.56	13,730.73
Revenue from Part Truck Load services	1,175.77	3,841.61	2,306.50	1,402.21
Revenue from Truck Load services	552.61	2,141.29	3,659.33	-
Revenue from Supply chain services #	1,056.21	3,900.58	2,149.22	1,320.09
Revenue from Cross Border services	899.63	963.63	344.30	85.94
Others	0.61	2.12	0.34	-
	<b>11,539.12</b>	<b>36,354.38</b>	<b>27,748.25</b>	<b>16,538.97</b>

# Revenue from supply chain services includes revenue from warehousing services and revenue from end-to end services.

**Timing of rendering of services**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Revenue from services</b>				
Services rendered over time	11,539.12	36,354.38	27,748.25	16,538.97
	<b>11,539.12</b>	<b>36,354.38</b>	<b>27,748.25</b>	<b>16,538.97</b>
<b>Revenue from sale of traded goods</b>				
Goods transferred at a point in time	1,638.10	110.89	57.50	-
	<b>1,638.10</b>	<b>110.89</b>	<b>57.50</b>	<b>-</b>
	<b>13,177.22</b>	<b>36,465.27</b>	<b>27,805.75</b>	<b>16,538.97</b>

**Reconciliation of revenue recognised in the restated consolidated summary statement of profit and loss with the contracted price**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue as per contracted price	13,459.00	37,781.17	28,327.69	17,013.47
Less: Credit note	(281.78)	(1,315.90)	(521.94)	(474.50)
	<b>13,177.22</b>	<b>36,465.27</b>	<b>27,805.75</b>	<b>16,538.97</b>

**Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from customers

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Trade Receivables (Unconditional right to consideration)	6,949.88	5,945.82	6,013.31	2,146.50
Contract assets (refer note 1 below)	4,824.53	3,668.22	2,748.43	1,414.26
Contract liabilities (refer note 2 below)	534.15	171.81	38.00	49.14

Changes in advances from customers during the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019 were as follows:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Opening balance</b>	171.80	38.00	49.14	48.10
Add: Revenue deferred	451.66	235.77	53.56	1.04
Less: Revenue received during the period / year	(59.64)	(35.04)	(15.87)	-
Less Written back during the period / year	(29.67)	(66.94)	(48.83)	-
<b>Closing balance</b>	<b>534.15</b>	<b>171.81</b>	<b>38.00</b>	<b>49.14</b>

Unbilled receivables during the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019 were as follows:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Opening balance</b>	3,668.23	2,748.43	1,414.26	988.93
Add: Contract asset created during the period/ year	4,824.53	3,668.22	2,748.43	1,414.26
Less: Contract asset billed during the period / year	(3,668.23)	(2,748.43)	(1,414.26)	(988.93)
	<b>4,824.53</b>	<b>3,668.22</b>	<b>2,748.43</b>	<b>1,414.26</b>

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 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 period either in full or in parts. Contract liabilities are recognized evenly over the period of service, being performance obligation of the Group.

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**22. Other income**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Finance income</b>				
<b>Interest income on</b>				
- Bank deposits at amortised cost	70.82	537.01	688.75	229.91
- Non-current investments	111.59	593.47	306.38	21.44
- Current investments	-	-	421.41	55.03
- Inter-corporate loans at amortised cost	-	-	3.11	3.67
- Income tax refund	28.14	19.88	-	9.27
- Unwinding of discount on security deposits paid at amortised cost	30.64	105.63	39.80	20.22
<b>Total finance income (A)</b>	<b>241.19</b>	<b>1,255.99</b>	<b>1,459.45</b>	<b>339.54</b>
<b>Other non operating income</b>				
Net gain on mutual funds:				
- Fair value gain on investment at fair value through profit or loss	151.74	325.01	133.50	10.07
- Net gain on sale of current investments	-	100.81	394.80	24.74
Profit on disposals of property, plant and equipment	-	2.95	-	0.47
Rent waiver on lease liabilities	-	33.80	-	-
Credit balance written back	29.67	66.83	48.83	-
Gain on modification / termination of lease contracts (refer note 37)	29.10	99.76	-	7.28
Miscellaneous income	11.19	32.49	43.96	27.67
<b>Total other non-operating income (B)</b>	<b>221.70</b>	<b>661.65</b>	<b>621.09</b>	<b>70.23</b>
<b>Total other income (A+B)</b>	<b>462.89</b>	<b>1,917.64</b>	<b>2,080.54</b>	<b>409.77</b>

**23. Freight, handling and servicing cost**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Line haul expenses	4,284.88	13,276.94	10,926.37	4,687.81
Contractual manpower expenses	1,280.64	4,727.92	4,027.79	2,822.62
Vehicle rental expenses	2,223.44	6,800.53	4,225.26	2,692.16
Rent	303.32	1,038.38	1,048.80	740.75
Security expenses	160.74	584.77	441.01	383.07
Power, fuel & water charges	206.37	724.70	803.05	630.23
Packing material	26.21	122.82	116.99	290.03
Stores and spares	75.10	141.60	80.35	50.77
Lost shipment expense (net)	118.35	363.16	168.34	209.39
	<b>8,679.06</b>	<b>27,780.82</b>	<b>21,837.96</b>	<b>12,506.83</b>

**24. Purchase of traded goods**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Purchases	1,621.33	102.08	57.69	-
	<b>1,621.33</b>	<b>102.08</b>	<b>57.69</b>	<b>-</b>

**25. Change in inventory of traded goods**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Inventory at the beginning of the period / year	-	-	-	-
Inventory at the end of the period / year	62.30	-	-	-
<b>(Increase) in inventory</b>	<b>(62.30)</b>	<b>-</b>	<b>-</b>	<b>-</b>

**26. Employee benefit expense**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Salaries, wages and bonus	1,431.69	4,788.55	3,870.49	2,683.40
Contribution to provident and other funds *	80.73	278.95	263.93	184.82
Share based payment expense (refer note 36)	437.20	723.12	488.05	379.44
Gratuity expenses (refer note 35)	22.28	81.82	65.95	42.98
Staff welfare expenses	92.60	236.79	220.52	155.75
	<b>2,064.49</b>	<b>6,109.23</b>	<b>4,908.94</b>	<b>3,446.39</b>

\* Defined contribution plan

**27. Finance costs**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Interest at amortised cost</b>				
- to banks	37.56	150.10	81.98	70.20
- bill discounting	15.45	47.89	28.56	24.64
-Interest on lease liabilities (refer note 37)	173.05	683.05	377.99	257.41
- to others	0.16	0.65	0.24	2.40
<b>Others</b>				
-Bank Charges	1.02	4.58	3.41	3.48
	<b>227.24</b>	<b>886.27</b>	<b>492.18</b>	<b>358.13</b>

**28. Depreciation and amortization expense**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Depreciation on property, plant and equipment (refer note 3)	315.35	1,567.32	1,321.94	895.76
Amortization on intangible assets (refer note 4)	16.68	76.56	83.82	38.01
Depreciation on right-of-use assets (refer note 37)	485.85	1,902.32	1,150.15	766.28
	<b>817.88</b>	<b>3,546.20</b>	<b>2,555.91</b>	<b>1,700.05</b>

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**29. Other expenses**

<b>Particulars</b>	<b>For the period ended 30 June 2021</b>	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2020</b>	<b>For the year ended 31 March 2019</b>
Allowances for recoverable from third party agent	-	47.92	72.07	-
Rates and taxes	4.87	78.50	79.39	9.81
Business development expenses	11.78	15.92	18.89	1.48
Repairs & maintenance				
- Building	28.60	108.31	102.71	94.48
- Computers	2.11	8.50	9.61	11.62
- Others	88.24	219.14	141.26	137.40
Allowances for doubtful debts	363.08	894.78	447.91	275.40
Bad debts written off	1.34	4.45	11.06	36.10
Payment gateway charges	6.22	26.58	23.18	7.33
Cash management service charges	99.32	240.32	145.78	79.99
Housekeeping expenses	75.88	264.23	206.37	160.36
Allowances for doubtful advances	7.09	47.53	9.48	7.55
Travelling and conveyance	96.32	293.20	260.80	181.79
Intangible under progress written off	-	47.39	-	-
Loss on disposal of property, plant and equipment	11.47	-	8.08	-
Inventory written off	-	-	75.62	-
Communication cost	46.22	150.70	178.28	188.03
Software and technology expense	256.76	782.60	613.48	412.11
Fair value loss on financial instruments at fair value through profit or loss	-	-	-	92.95
Legal and professional fees	67.64	127.95	101.94	55.67
Audit fees	5.43	17.59	10.26	8.75
Director's remuneration (refer note 40)	6.50	27.07	26.44	26.37
Printing and stationery	15.88	56.30	62.24	59.19
Assets written off	-	-	0.26	-
Insurance expense	15.94	40.05	22.33	18.09
Recruiting expenses	9.14	22.09	13.69	16.65
Foreign exchange loss (net)	7.83	10.37	3.46	-
Net loss on sale of current investments	7.96	-	-	-
Miscellaneous expenses	32.45	79.00	77.04	82.62
	<b>1,268.07</b>	<b>3,610.49</b>	<b>2,721.63</b>	<b>1,963.74</b>

**30. Exceptional Items**

<b>Particulars</b>	<b>For the period ended 30 June 2021</b>	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2020</b>	<b>For the year ended 31 March 2019</b>
- Allowance for doubtful debts*	-	413.30	-	-
	-	<b>413.30</b>	-	-

\*During the year ended 31 March 2021, the management has recorded allowance for doubtful debt of INR 413.30 Millions, in view of its anticipated non-recoverability in near future primarily due to business restrictions imposed by regulators in India on certain customers. 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 restated consolidated summary statements.

**31. Earning per share**

Basic EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the period / year.

The following reflects the income and share data used in the basic and diluted EPS computations.

<b>Particulars</b>	<b>For the period ended 30 June 2021</b>	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2020</b>	<b>For the year ended 31 March 2019</b>
Restated loss attributable to equity holders of the Group	(1,295.80)	(4,157.43)	(2,689.26)	(17,833.04)
Weighted average number of equity shares in calculating basic EPS *	53,78,79,600	51,62,14,100	51,50,18,800	37,76,44,900
Weighted average number of equity shares in calculating diluted EPS	53,78,79,600	51,62,14,100	51,50,18,800	37,76,44,900
Face value of equity shares (INR)	1.00	1.00	1.00	1.00
Basic loss per share (INR)	(2.41)	(8.05)	(5.22)	(47.22)
Diluted loss per share (INR)	(2.41)	(8.05)	(5.22)	(47.22)

\* There are potential equity shares as on 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019 in the form of stock options issued. As these are antidilutive, they are ignored in the calculation of diluted earnings per share and accordingly the diluted earnings per share is the same as basic earnings per share.

The weighted average number of shares takes into account the weighted average effect of changes cumulatively convertible preference shares during the period / year.

Subsequent to 30 June 2021, on 27 September 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 Cumulatively Convertible Preference Shares (CCCPS) has been made and the conversion ratio accordingly stands adjusted to 10:1 i.e. 10 Equity Shares of INR 10/- each for every 1 CCCPS of INR 100/- each held by such CCCPS holder, pursuant to such bonus issuance.

Subsequent to 30 June, 2021, on 29 September 2021, the company has sub divided equity shares having a face value of INR 10 each into 10 equity shares having a face value of INR 1 each. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulatively Convertible Preference Shares (CCCPS) has been made to reflect the impact of such sub-division.

The impact of the above has been considered in the calculation of Basic and Diluted Loss per share.

### **32. Significant accounting judgements, estimates and assumptions**

The preparation of the restated consolidated summary 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 restated consolidated summary 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 restated consolidated summary 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 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 Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the restated consolidated summary 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 period.

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 35.

#### **Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the restated consolidated summary statement of assets and liabilities 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.

#### **Lease**

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.

#### **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.

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 restated consolidated summary statement of profit and loss when the asset is derecognised.



**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 Group'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 Group's trade receivables and contract assets is disclosed in Note 7. 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

**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.

**Business combinations**

During the period ended 30 June 2020 and year ended 31 March 2021, 31 March 2020 and 31 March 2019, the Group had made an acquisition of business (refer note 33 (a), (b), (c)). 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.

**33. Business combinations**

**33 (a) Business transfer agreement with Delhivery Freight Services Private Limited during the year ended 31 March 2021**

During year ended 31 March 2021 business transfer agreement has been executed on 01 October 2020 ('the BTA') between Delhivery Private Limited (DPL) and Delhivery Freight Services Private Limited (DFSPL), pursuant to provisions of the Companies Act , 2013 ("the Act") and rules framed thereunder.

DPL 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 INR 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 restated consolidated summary statements.

**33 (b) Acquisition during the year ended 31 March 2021**

**Acquisition of Primaseller Inc ("Primaseller")**

The group entered into an agreement dated 20 February 2021 with Primaseller Inc. (primaseller) in India, for asset purchase arrangement along with employing all such employees who wanted to be employed with the Group at a total purchase consideration of INR 35.00 Millions. The management has assessed and accounted for this transaction as business combination based on the following facts:

- 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 Primaseller as at the date of acquisition 20 February 2021 were:

	<b>Balance recognized on acquisition</b>
<b>Assets</b>	
Technology	34.92
Goodwill	0.08
<b>Purchase consideration</b>	<b>35.00</b>

The goodwill of INR 0.08 Millions comprises the value of expected synergies arising from the acquisition.

**Purchase consideration**

Cash consideration paid	35.00
<b>Total Purchase consideration</b>	<b>35.00</b>

**Analysis of cash flows on acquisition:**

Payment towards acquisition of business (included in cash flow from investing activities)	35.00
<b>Net cash used in acquisition</b>	<b>35.00</b>

**All other disclosures as required under IND AS 103 are as follows:**

- i) There were no contingent consideration arrangements entered into with the acquiree.
- ii) no contingent liabilities have been recognised.
- iii) there are no such transactions that are recognized separately from the acquisition of assets and assumption of liabilities in the business combination.
- iv) the above business combination is not a bargain-purchase.
- v) the above business combination is not achieved in stages.
- vi) Goodwill is not tax deductible.

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**33 (c) Acquisition during the year ended 31 March 2020**

**Acquisition of Roadpiper Technologies Private Limited ("Roadpiper")**

The Group entered into an business transfer agreement with Roadpiper Technologies Private Limited on 23 January 2020 to transfer the business to the Group at a total purchase consideration of INR 36.30 Millions.

**Assets acquired and liabilities assumed**

The fair values of the identifiable assets of Roadpiper as at the date of acquisition 23 January 2020 were:

	<b>Balance recognised on acquisition</b>
<b>Assets</b>	
Property, plant and equipment	0.26
Working capital	1.24
Technology	12.20
Goodwill	22.60
<b>Purchase consideration</b>	<b><u>36.30</u></b>

The goodwill of INR 22.60 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 INR 150.20 Millions and the losses before tax from continuing operations for the Group from "Roadpiper" would have been higher by INR 25.60 Millions.

From the date of acquisition, "Roadpiper" has contributed INR 10.40 Millions of revenue\* and INR 6.50 Millions of loss\* to the loss before tax from the operations of the Group.

\* Before inter- company elimination.

**Purchase consideration**

Cash consideration paid	<u>36.30</u>
<b>Total Purchase consideration</b>	<b><u>36.30</u></b>

**Analysis of cash flows on acquisition:**

Payment towards acquisition of business (included in cash flow from investing activities)	<u>36.30</u>
<b>Net cash flow used in acquisition</b>	<b><u>36.30</u></b>

**All other disclosures as required under IND AS 103 are as follows:**

- i) There were no contingent consideration arrangements entered into with the acquiree.
- ii) no contingent liabilities have been recognised.
- iii) there are no such transactions that are recognized separately from the acquisition of assets and assumption of liabilities in the business combination.
- iv) the above business combination is not a bargain-purchase.
- v) the above business combination is not achieved in stages.
- vi) Goodwill is not tax deductible.

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**33 (d) Acquisition during the year ended 31 March 2019**

**Acquisition of Aramex India Private Limited ('Aramex')**

The Group entered into an asset purchase agreement with Aramex India Private Limited ('Aramex') on 27 February 2019 to purchase the assets, along with employing all such employees who wanted to be employed with the Group at a total purchase consideration of INR 265.40 Millions.

**Assets acquired and liabilities assumed**

The fair values of the identifiable assets and liabilities of ('Aramex') as at the date of assets acquisition 27 February 2019 were:

	<b>Balance recognised on acquisition</b>
<b>Assets</b>	
Property, plant and equipment	38.80
Customer relationship	61.10
Non compete	1.70
Goodwill	163.80
<b>Total Purchase consideration</b>	<b>265.40</b>

The goodwill of INR 163.8 Millions comprises the value of expected synergies arising from the acquisition.

**Purchase consideration**

Cash consideration paid	265.40
<b>Total Purchase consideration</b>	<b>265.40</b>

**Analysis of cash flows on acquisition:**

Payment towards acquisition of business (included in cash flow from investing activities)	265.40
<b>Net cash flow on acquisition</b>	<b>265.40</b>

**All other disclosures as required under IND AS 103 are as follows:**

- i) There were no contingent consideration arrangements entered into with the acquiree,
- ii) no contingent liabilities have been recognised,
- iii) there are no such transactions that are recognized separately from the acquisition of assets and assumption of liabilities in the business combination,
- iv) the above business combination is not a bargain-purchase,
- v) the above business combination is not achieved in stages,
- vi) Goodwill is not tax deductible.

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**34. Interest in Associates**

The Group has a 28.56% interest in Leucon Technology Private Limited, an associate involved in the business of data processing. The Group's interest in Leucon Technology Private Limited is accounted for using the equity method in the restated consolidated summary statements. Summarised financial information of the associates, based on its summary statements, and reconciliation with the carrying amount of the investment in restated consolidated summary statements are set out below:

**Summarised balance sheet as at:**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Current assets, including cash and cash equivalents INR 9.90 Millions (31 March 2021: INR 9.40 Millions, 31 March 2020: INR 3.80 Millions, 31 March 2019: INR 5.60 Millions)	29.90	35.30	50.40	53.00
Non-current assets	0.80	1.70	1.50	2.20
Current liabilities	(12.50)	(12.80)	(20.30)	(7.60)
Non - Current liabilities	-	-	-	(0.10)
<b>Equity</b>	<b>18.20</b>	<b>24.20</b>	<b>31.60</b>	<b>47.50</b>
Proportion of the Group's ownership	28.56%	28.56%	28.56%	28.56%
Group share in equity	5.20	6.91	9.02	13.57
Carrying amount of the investment	-	-	-	-
<b>Summarised statement of profit and loss</b>				
Revenue from contract with customers	8.30	55.90	98.00	75.70
Other income	0.20	6.20	5.40	4.50
<b>Total income (I)</b>	<b>8.50</b>	<b>62.10</b>	<b>103.40</b>	<b>80.20</b>
Cost of materials consumed	9.30	44.90	95.80	66.20
Employee benefits expense	4.60	20.50	14.80	10.80
Finance costs	-	0.30	0.10	0.30
Depreciation and amortization expense	-	-	0.90	1.40
Other expenses	0.60	3.40	7.20	7.80
<b>Total expenses (II)</b>	<b>14.50</b>	<b>69.10</b>	<b>118.80</b>	<b>86.50</b>
<b>Loss before tax (I-II)</b>	<b>(6.00)</b>	<b>(7.00)</b>	<b>(15.40)</b>	<b>(6.30)</b>
<b>Tax expense</b>				
Deferred Tax	-	(0.10)	(0.10)	0.20
<b>Net loss after tax</b>	<b>(6.00)</b>	<b>(7.10)</b>	<b>(15.50)</b>	<b>(6.10)</b>
Proportion of the Group's ownership	28.56%	28.56%	28.56%	28.56%
Restated Group's share of profit for the period / year	(1.71)	(2.03)	(4.43)	(1.74)

The Group had no contingent liabilities or capital commitments relating to its interest in Leucon Technology Private Limited as at 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019.

The carrying value of investment in the associate is nil, hence Group's share of loss not reported in restated consolidated summary statements.

**35. 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 restated consolidated summary statement of profit and loss and amounts recognized in the restated consolidated summary statement of assets and liabilities for the Gratuity:-

	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>Benefit liability</b>				
Opening defined benefit obligation	225.15	171.86	108.92	68.74
Interest cost	3.81	11.88	8.22	5.36
Current service cost	18.47	69.94	57.73	37.62
Benefits paid	(6.59)	(18.15)	(10.63)	(2.80)
Actuarial (gain)/ loss on obligation	1.24	(10.38)	7.62	0.00
<b>Closing defined benefit obligation</b>	<b>242.08</b>	<b>225.15</b>	<b>171.86</b>	<b>108.92</b>

**Expense recognised in the restated consolidated summary statement of profit and loss**  
**Gratuity cost for the period/ year**

	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Current service cost	18.47	69.94	57.73	37.62
Interest cost	3.81	11.88	8.22	5.36
<b>Net gratuity cost</b>	<b>22.28</b>	<b>81.82</b>	<b>65.95</b>	<b>42.98</b>

**Remeasurement (losses) / gains in other comprehensive income**

	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
Actuarial changes arising from changes in financial assumptions	11.08	(0.52)	14.31	2.84
Experience adjustments	(12.32)	10.90	(6.69)	(2.84)
<b>Amount recognised in OCI</b>	<b>(1.24)</b>	<b>10.38</b>	<b>7.62</b>	<b>0.00</b>

**Actuarial assumptions**

	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Discount rate	7.13%	6.76%	6.78%	7.56%
Salary growth rate	7.00%	7.00%	7.00%	7.00%
Mortality	IALM(2012-14) ultimate	IALM(2012-14) ultimate	IALM(2012-14) ultimate	IALM 2006-08 ultimate
Attrition rate				
Upto 30 years	15.00%	15.00%	15.00%	15.00%
Between 31 and 44 years	7.00%	7.00%	7.00%	7.00%
Above 44 years	2.00%	2.00%	2.00%	2.00%
Normal retirement age	60 years	60 years	60 years	60 years

**Discount rate:** The discount rate is based on the prevailing market yields of Indian government securities as at the reporting 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 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019 is as shown below:

Particulars	30 June 2021	31 March 2021	31 March 2020	31 March 2019	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Sensitivity level		Discount rate increase by 0.5%				Discount rate decrease by 0.5%		
Impact on defined benefit obligation	(14.15)	(13.56)	(10.36)	(6.28)	15.67	15.05	11.50	6.95
Sensitivity level		Future salary increase by 0.5%				Future salary decrease by 0.5%		
Impact on defined benefit obligation	14.55	14.00	10.53	6.43	(13.44)	(12.83)	(9.67)	(5.92)

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 11.32 years (31 March 2021: 11.36 years, 31 March 2020: 11.26 years, 31 March 2019: 11.11 years).

**The following payments are expected contributions to the defined benefit plan in future years:**

	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Within next 12 months (next annual reporting period)	11.66	10.89	8.04	2.98
Between 2 and 5 years	63.16	59.87	47.79	8.97
More than 5 years	336.70	312.64	248.73	203.81

### 36. Share-based payments

#### General Employee Share-option Plan (GESP): Delhivery Employees Stock Option Plan, 2012

The Group provides share-based payment schemes to its employees. During the period ended 30 June 2021 three employee stock option plan (ESOP) was in existence. The relevant details of the scheme and the grant are as below:

On 28 September 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 Group. According to the Scheme 2012, it applies to bona fide confirmed and who are in whole – time employment of the Group and as decided by the board of directors of the Group 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.

#### Delhivery Employees Stock Option Plan - II, 2020.

The plan has been formulated and approved on 25 January 2021 by the Board of Directors (“Board”) and approved on 01 February 2021 by the shareholders of Delhivery Limited (formerly known as Delhivery Private Limited) (the “Group”). The Plan shall be deemed to have come into force on 01 February 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 Group 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 Group achieving the valuation thresholds (being the multiple of the share price of the Series F round of investment in the group)

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 Group, unless determined otherwise by the Board / ESOP committee from time to time.

#### Delhivery Employees Stock Option Plan III, 2020

The Plan has been formulated and approved on 25 January 2021 by the Board of Directors (“Board”) and approved on 01 February 2021 by the shareholders of Delhivery Limited (formerly known as Delhivery Private Limited) (the “Group”). The plan shall be deemed to have come into force on 01 February 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 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.

#### Movements during the period / year

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period / year:

#### General Employee Share-option Plan (GESP): Delhivery Employees Stock Option Plan, 2012

Particulars	As at	As at	As at	As at	As at	As at	As at	As at
	30 June 2021	30 June 2021	31 March 2021	31 March 2021	31 March 2020	31 March 2020	31 March 2019	31 March 2019
	Number	WAEP	Number	WAEP	Number	WAEP	Number	WAEP
Opening balance	2,32,420	1,852	2,34,338	1,735	2,07,756	1,362	1,50,089	1,154
Granted during the period / year	14,363	2,985	29,525	2,985	52,124	2,985	70,325	1,854
Forfeited during the period / year	(2,197)	2,602	(8,918)	2,605	(8,985)	1,931	(12,658)	1,623
Cancelled during the period / year	-	-	(8,248)	2,985	-	-	-	-
Exercised during the period / year	(4,356)	1,919	(14,277)	1,341	(16,557)	884	-	-
Outstanding at period / year end	2,40,231	1,913	2,32,420	1,852	2,34,338	1,735	2,07,756	1,362
Exercisable at period / year end	2,40,231	1,913	2,32,420	1,852	2,34,338	1,735	2,07,756	1,362

#### Delhivery Employees Stock Option Plan - II, 2020.

Particulars	As at	As at	As at	As at	As at	As at	As at	As at
	30 June 2021	30 June 2021	31 March 2021	31 March 2021	31 March 2020	31 March 2020	31 March 2019	31 March 2019
	Number	WAEP	Number	WAEP	Number	WAEP	Number	WAEP
Opening balance	77,402	INR 10	-	-	-	-	-	-
Granted during the period / year	-	-	77,402	INR 10	-	-	-	-
Forfeited during the period / year	-	-	-	-	-	-	-	-
Cancelled during the period / year	-	-	-	-	-	-	-	-
Exercised during the period / year	-	-	-	-	-	-	-	-
Outstanding at period / year end	77,402	INR 10	77,402	INR 10	-	-	-	-
Exercisable at period / year end	-	-	-	-	-	-	-	-

#### Delhivery Employees Stock Option Plan III, 2020

Particulars	As at	As at	As at	As at	As at	As at	As at	As at
	30 June 2021	30 June 2021	31 March 2021	31 March 2021	31 March 2020	31 March 2020	31 March 2019	31 March 2019
	Number	WAEP	Number	WAEP	Number	WAEP	Number	WAEP
Opening balance	10,500	INR 10	-	-	-	-	-	-
Granted during the period / year	-	-	10,500	INR 10	-	-	-	-
Forfeited during the period / year	-	-	-	-	-	-	-	-
Cancelled during the period / year	-	-	-	-	-	-	-	-
Exercised during the period / year	-	-	-	-	-	-	-	-
Outstanding at period / year end	10,500	INR 10	10,500	INR 10	-	-	-	-
Exercisable at period / year end	-	-	-	-	-	-	-	-

The weighted average remaining contractual life for the stock options outstanding as at 2.83 years (31 March 2021: 1.25 years, 31 March 2020: 2.55 years, 31 March 2019: 2.97 years).

The range of exercise prices for options outstanding at the end of the period / year is INR 225.94 to INR 2985 (31 March 2021: INR 225.94 to INR 2,985 , 31 March 2019: Rs 225.94 to INR 2985, 31 March 2019: INR 225.94 to INR 2,985).

The weighted average fair value of the option granted during the period / year is INR 22,775.00 (31 March 2021: INR 18,240.47, 31 March 2020: INR 15,265.48, 31 March 2019: INR 11,219.22)

Total expense arising from share based payment transaction for the period / year is INR 437.20 Millions (31 March 2021: INR 723.12 Millions, 31 March 2020: INR 488.05 Millions, 31 March 2019: INR 379.44 Millions)

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The following tables list the inputs to the models used for the GESP plans for the period / years ended 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019, respectively:

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Expected volatility (%)	50.00%	51.00%	38.00%	38.00%
Risk-free interest rate (%)	4.60%	3.80%	6.5% & 6.7%	6.90%
Expected life of share options	4 to 5 years	4 to 5 years	4 to 5 years	4 to 5 years
Weighted average share price (INR )	1,912.60	1,852.00	1,735.00	1,362.00
	Black Scholes	Black Scholes	Black Scholes	Black Scholes
	Option Pricing	Option Pricing	Option Pricing	Option Pricing
Model used	Model	Model	Model	Model

**Delhivery Employees Stock Option Plan - II, 2020.**

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
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	-	-
Weighted average share price (INR )	10.00	10.00	-	-
	Monte Carlo	Monte Carlo	-	-
	simulation	simulation	-	-
Model used				

**Delhivery Employees Stock Option Plan III, 2020**

Particulars	As at	As at	As at	As at
	30 June 2021	31 March 2021	31 March 2020	31 March 2019
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	-	-
Weighted average share price (INR )	10.00	10.00	-	-
	Monte Carlo	Monte Carlo	-	-
	simulation	simulation	-	-
Model used				

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.



**37. Leases**

**a) First time adoption of Ind AS 116- Leases**

Effective 01 April 2019 the Group adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on 01 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings on the date of initial application. Consequently, the company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right to use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee’s incremental borrowing rate at the date of initial application.

For the purpose of preparing restated consolidated summary statement, Ind AS 116 has been applied using modified retrospective method with effect from 01 April 2018.

The following is the summary of practical expedients elected on initial application:

1. The use of hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.
2. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
3. The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Group relied on its assessment made applying Ind AS 17 and Appendix C to Ind AS 17, determining whether an arrangement contains a lease.
4. Applied the practical expedient for not to separate the non-lease components from lease components, and instead account for both lease and non-lease components as single lease component.

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April 2018 is multiple discount rate based on the portfolio of leases

- 0 - 36 months - 8.75%
- 37 - 72 months - 8.95%
- 73 months & Above - 9.00%

The difference between the lease obligation recorded as of 31 March 2018 under Ind AS 17 and the value of the lease liability as of 01 April 2018 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised, in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

**The effect of adoption of Ind AS 116 is as follows:**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>Balance Sheet</b>				
<b>Assets</b>				
<b>Non-current assets</b>				
Right-of-use assets	7,176.68	7,828.04	4,781.14	2,975.12
<b>Total assets</b>	<b>7,176.68</b>	<b>7,828.04</b>	<b>4,781.14</b>	<b>2,975.12</b>
<b>Equity</b>				
Retained Earnings	-	-	-	(244.56)
<b>Total equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(244.56)</b>
<b>Liabilities</b>				
Lease liabilities	7,565.77	8,155.60	4,978.31	3,169.65
<b>Total liabilities</b>	<b>7,565.77</b>	<b>8,155.60</b>	<b>4,978.31</b>	<b>3,169.65</b>
<b>Income Statement</b>				
Depreciation and amortisation - Depreciation of Right-of-use asset	485.85	1,902.32	1,150.15	766.28
Freight handling and servicing cost - Rent	(553.87)	(2,118.60)	(1,299.51)	(877.89)
Finance cost - Interest on lease liabilities	173.05	683.05	377.99	257.41
Other income - Gain on termination of lease contracts	(29.10)	(99.76)	-	(7.28)
Other income - Rent waiver on lease liabilities	-	(33.80)	-	-
Stamp duty expenses	-	(2.58)	(4.60)	-
	<b>75.93</b>	<b>330.63</b>	<b>224.03</b>	<b>138.52</b>
<b>Statement of cash flows (increase/(decrease))</b>				
Impact On Profit and Loss	(75.93)	(330.63)	(224.03)	(138.52)
Depreciation on right-of-use assets	485.85	1,902.32	1,150.15	766.28
Interest Cost	173.05	683.05	377.99	257.41
Gain on termination of lease contracts	(29.10)	(99.76)	-	(7.28)
Rent waiver on lease liabilities	-	(33.80)	-	-
Stamp duty expenses	-	(2.58)	(4.60)	-
<b>Cash generated from operations (A)</b>	<b>553.87</b>	<b>2,118.60</b>	<b>1,299.51</b>	<b>877.89</b>
Payment of principal portion of lease liabilities	(380.82)	(1,435.55)	(921.44)	(257.41)
Interest on lease liabilities	(173.05)	(683.05)	(378.07)	(620.48)
<b>Net cash outflows from financing activities (B)</b>	<b>(553.87)</b>	<b>(2,118.60)</b>	<b>(1,299.51)</b>	<b>(877.89)</b>
<b>Net increase in cash and cash equivalents during the period / year (A+B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

There is no material impact on other comprehensive income or the basic and diluted loss per share.

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**b) Group as lessee**

The Company has lease contracts for lease of building pertaining to office premises, warehouse, hubs; having a lease term ranging from 3-9 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period / year:

	<b>Amount</b>
<b>As at 01 April 2018</b>	<b>1,966.71</b>
Additions	1,809.05
Deletions	(34.36)
Depreciation	(766.28)
<b>As at 31 March 2019</b>	<b>2,975.12</b>
Ind AS 116 transition adjustments (refer Annexure VI)	-
<b>As at 01 April 2019</b>	<b>2,975.12</b>
Additions	2,956.17
Deletions	-
Depreciation	(1,150.15)
<b>As at 31 March 2020</b>	<b>4,781.14</b>
Additions	5,509.04
Deletions	(559.82)
Depreciation	(1,902.32)
<b>As at 31 March 2021</b>	<b>7,828.04</b>
Additions	31.90
Deletions	(197.41)
Depreciation	(485.85)
<b>As at 30 June 2021</b>	<b>7,176.68</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period / year:

	<b>Amount</b>
<b>As at 01 April 2018</b>	<b>2,083.44</b>
Additions	1,748.33
Deletions	(41.64)
Accretion of interest	257.41
Payments	(877.89)
<b>As at 31 March 2019</b>	<b>3,169.65</b>
Ind AS 116 transition adjustments (refer Annexure VI)	-
<b>As at 01 April 2019</b>	<b>3,169.65</b>
Additions	2,730.18
Accretion of interest	377.99
Payments	(1,299.51)
<b>As at 31 March 2020</b>	<b>4,978.31</b>
Additions	4,612.84
Accretion of interest	683.05
Payments	(2,118.60)
<b>As at 31 March 2021</b>	<b>8,155.60</b>
Additions	17.50
Accretion of interest	173.05
Payments	(553.87)
Early termination	(226.51)
<b>As at 30 June 2021</b>	<b>7,565.77</b>

The following is the break-up of current and non-current lease liabilities:

<b>Particulars</b>	<b>As at 30 June 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Current lease liabilities	1,594.47	1,617.16	1,107.66	744.43
Non-current lease liabilities	5,971.30	6,538.44	3,870.65	2,425.22
<b>Closing balance</b>	<b>7,565.77</b>	<b>8,155.60</b>	<b>4,978.31</b>	<b>3,169.65</b>

The following are the amounts recognised in restated consolidated summary statement of profit and loss:

<b>Particulars</b>	<b>For the period ended 30 June 2021</b>	<b>For the year ended 31 March 2021</b>	<b>For the year ended 31 March 2020</b>	<b>For the year ended 31 March 2019</b>
Depreciation and amortisation - Depreciation of Right-of-use asset	485.85	1,902.32	1,150.15	766.28
Finance cost - Interest on lease liabilities	173.05	683.05	377.99	257.41
Expense relating to short term lease	303.32	1,038.38	1,048.80	740.75
Stamp duty expense	-	(2.58)	(3.80)	-
Other Income - Gain on termination / modification of lease contracts	(29.10)	(99.76)	-	(7.28)
Other Income - Rent waiver on lease liabilities *	-	(33.80)	-	-
<b>Total amount recognised in restated consolidated statement of profit and Loss</b>	<b>933.12</b>	<b>3,487.61</b>	<b>2,573.14</b>	<b>1,757.16</b>

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The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

<b>Particulars</b>	<b>As at 30 June 2021</b>	<b>As at 31 March, 2021</b>	<b>As at 31 March, 2020</b>	<b>As at 31 March, 2019</b>
Less than one year	2,195.81	2,266.70	1,507.50	996.50
One to four years	4,880.36	5,355.80	3,457.10	2,303.90
More than four years	2,517.80	2,763.10	1,197.40	699.30
<b>Closing balance</b>	<b>9,593.97</b>	<b>10,385.60</b>	<b>6,162.00</b>	<b>3,999.70</b>

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.

Rental expense recorded for short-term leases for 30 June 2021 was INR 303.32 Millions (31 March 2021: INR 1,038.38 Millions, 31 March, 2020: INR 1,048.80 Millions, 31 March 2019: INR 740.75 Millions)

\* 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 Nil and INR 33.80 Millions as other income (refer note 22) during the period ended 30 June 2021 and year ended 31 March 2021.

**38. Fair values**

**Financial instrument by category**

The carrying value and fair value of financial instruments by categories as of 30 June 2021 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents (refer note 8)	1,668.16	-	-	-	-	1,668.16	1,668.16
Investments (current) (refer note 6)	-	-	27,035.53	-	-	27,035.53	27,035.53
Investments (non-current) (refer note 5)	-	-	2,867.10	-	-	2,867.10	2,867.10
Trade receivables (refer note 7)	6,949.88	-	-	-	-	6,949.88	6,949.88
Loans (refer note 10)	231.90	-	-	-	-	231.90	231.90
Other financial assets (refer note 11)	12,974.32	-	-	-	-	12,974.32	12,974.32
<b>Total</b>	<b>21,824.26</b>	-	<b>29,902.63</b>	-	-	<b>51,726.90</b>	<b>51,726.90</b>
<b>Liabilities:</b>							
Trade payables (refer note 17)	5,133.35	-	-	-	-	5,133.35	5,133.35
Borrowings (refer note 16)	3,423.84	-	-	-	-	3,423.84	3,423.84
Lease liabilities (refer note 37)	7,565.77	-	-	-	-	7,565.77	7,565.77
Other financial liabilities (Current) (refer note 18)	1,155.10	-	-	-	-	1,155.10	1,155.10
<b>Total</b>	<b>17,278.06</b>	-	-	-	-	<b>17,278.06</b>	<b>17,278.06</b>

The carrying value and fair value of financial instruments by categories as of 31 March 2021 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents (refer note 8)	2,758.63	-	-	-	-	2,758.63	2,758.63
Other bank balances (refer note 9)	15.78	-	-	-	-	15.78	15.78
Investments (current) (refer note 6)	-	-	7,075.64	-	-	7,075.64	7,075.64
Investments (non-current) (refer note 5)	-	-	4,205.89	-	-	4,205.89	4,205.89
Trade receivables (refer note 7)	5,945.82	-	-	-	-	5,945.82	5,945.82
Loans (refer note 10)	264.21	-	-	-	-	264.21	264.21
Other financial assets (refer note 11)	11,701.88	-	-	-	-	11,701.88	11,701.88
<b>Total</b>	<b>20,686.32</b>	-	<b>11,281.53</b>	-	-	<b>31,967.85</b>	<b>31,967.85</b>
<b>Liabilities:</b>							
Trade payables (refer note 17)	4,422.30	-	-	-	-	4,422.30	4,422.30
Borrowings (refer note 16)	3,013.43	-	-	-	-	3,013.43	3,013.43
Lease liabilities (refer note 37)	8,155.60	-	-	-	-	8,155.60	8,155.60
Other financial liabilities (Current) (refer note 18)	1,305.75	-	-	-	-	1,305.75	1,305.75
<b>Total</b>	<b>16,897.08</b>	-	-	-	-	<b>16,897.08</b>	<b>16,897.08</b>

The carrying value and fair value of financial instruments by categories as of 31 March 2020 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents (refer note 8)	1,200.38	-	-	-	-	1,200.38	1,200.38
Other bank balances (refer note 9)	2,886.62	-	-	-	-	2,886.62	2,886.62
Investments (current) (refer note 6)	-	-	8,104.41	-	-	8,104.41	8,104.41
Investments (non-current) (refer note 5)	-	-	3,772.39	-	-	3,772.39	3,772.39
Trade receivables (refer note 7)	6,013.31	-	-	-	-	6,013.31	6,013.31
Loans (refer note 10)	26.80	-	-	-	-	26.80	26.80
Other financial assets (refer note 11)	11,697.86	-	-	-	-	11,697.86	11,697.86
<b>Total</b>	<b>21,824.97</b>	-	<b>11,876.80</b>	-	-	<b>33,701.77</b>	<b>33,701.77</b>
<b>Liabilities:</b>							
Trade payables (refer note 17)	2,733.50	-	-	-	-	2,733.50	2,733.50
Borrowings (refer note 16)	2,568.15	-	-	-	-	2,568.15	2,568.15
Lease liabilities (refer note 37)	4,978.31	-	-	-	-	4,978.31	4,978.31
Other financial liabilities (Current) (refer note 18)	1,096.90	-	-	-	-	1,096.90	1,096.90
<b>Total</b>	<b>11,376.86</b>	-	-	-	-	<b>11,376.86</b>	<b>11,376.86</b>

The carrying value and fair value of financial instruments by categories as of 31 March 2019 were as follows:

Particulars	Amortised cost	Financial assets/ liabilities at fair value through profit or loss		Financial assets/liabilities at fair value through OCI		Total carrying value	Total fair value
		Designated upon initial recognition	Mandatory	Designated upon initial recognition	Mandatory		
<b>Assets:</b>							
Cash and cash equivalents (refer note 8)	16,626.39	-	-	-	-	16,626.39	16,626.39
Other bank balances (refer note 9)	7.93	-	-	-	-	7.93	7.93
Investments (current) (refer note 6)	-	-	11,304.27	-	-	11,304.27	11,304.27
Investments (non-current) (refer note 5)	-	-	247.01	-	-	247.01	247.01
Trade receivables (refer note 7)	2,146.50	-	-	-	-	2,146.50	2,146.50
Loans (refer note 10)	29.62	-	-	-	-	29.62	29.62
Other financial assets (refer note 11)	3,987.19	-	-	-	-	3,987.19	3,987.19
<b>Total</b>	<b>22,797.63</b>	-	<b>11,551.28</b>	-	-	<b>34,348.91</b>	<b>34,348.91</b>
<b>Liabilities:</b>							
Trade payables (refer note 17)	1,606.53	-	-	-	-	1,606.53	1,606.53
Borrowings (refer note 16)	936.17	-	-	-	-	936.17	936.17
Lease liabilities (refer note 37)	3,169.65	-	-	-	-	3,169.65	3,169.65
Other financial liabilities (Current) (refer note 18)	683.88	-	-	-	-	683.88	683.88
<b>Total</b>	<b>6,396.23</b>	-	-	-	-	<b>6,396.23</b>	<b>6,396.23</b>

**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, 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.
- Lease liabilities are measured at amortised cost, the carrying amounts approximate to fair values, as lease liabilities are recognised based on the present value of the remaining lease payments.
- 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.

**Fair value hierarchy**

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at 30 June 2021:

Particulars	As at 30 June 2021 (INR Mn.)	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments in mutual fund, bonds and non- convertible debentures (refer note 5 & 6)	29,902.64	29,902.64	-	-
<b>Liabilities</b>				
Compulsorily convertible preference shares	504.96	-	-	504.96

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at 31 March 2021:

Particulars	As at 31 March 2021 (INR Mn.)	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments in mutual fund, bonds and non- convertible debentures (refer note 5 & 6)	11,281.54	11,281.54	-	-
<b>Liabilities</b>				
Compulsorily convertible preference shares	184.84	-	-	184.84

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at 31 March 2020:

Particulars	As at 31 March 2020 (INR Mn.)	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments in mutual fund, bonds and non- convertible debentures (refer note 5 & 6)	11,876.79	11,876.79	-	-
<b>Liabilities</b>				
Compulsorily convertible preference shares	-	-	-	-

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at 31 March 2019:

Particulars	As at 31 March 2019 (INR Mn.)	Fair value measurement at end of the reporting period/year using		
		Level 1	Level 2	Level 3
<b>Assets</b>				
Investments in mutual fund, bonds and non- convertible debentures (refer note 5 & 6)	11,551.27	11,551.27	-	-
<b>Liabilities</b>				
Compulsorily convertible preference shares	-	-	-	-

**Partly paid compulsorily convertible preference shares**

Reconciliation of Level 3 fair value measurement is as follows:	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Balance at the beginning of the year	(184.84)	-	-	-
Disposals during the year	-	-	-	-
Addition during the year	-	(91.94)	-	-
Fair value loss on financial instruments at fair value through profit or loss	(320.12)	(92.90)	-	-
<b>Balance at the end of the year</b>	<b>(504.96)</b>	<b>(184.84)</b>	-	-

**inputs thereto for the level 3 financial assets / liabilities as of**

Financial assets	Valuation	Key input(s)	Sensitivity
Compulsorily Convertible Preference Shares	Option pricing method	i) Risk Free Discount rate - 5.73 % ii) Volatility rate - 36.09%	Refer note below*#
Investments in preference securities (non-current) (Refer Note 5)		iii) Liquidity event timeline - 4 years	

\* 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%.

**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.

Risk management is carried out by senior management for cash and cash equivalent, trade receivable, deposits with banks, foreign currency risk exposure and liquidity risk.

**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.

**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 decrease in PAT by INR 4.16 Millions (31 March 2021: INR.13.60 Millions, 31 March 2020: INR 5.27 Millions, 31 March 2019:INR 3.38 Millions) and decrease in interest rate by 1% will result in increase in PAT by INR 4.16Millions (31 March 2021: INR 14.45 Millions, 31 March 2020: INR 5.33 Millions, 31 March 2019: 3.38 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.

**Credit risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to INR 6,935.57 Millions (31 March 2021: INR 5,945.82 Millions, 31 March 2020: INR 6,013.41 Millions, 31 March 2019: INR 2,176.19 Millions). 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

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.

**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.

**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.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 30 June 2021:

Particulars	(INR Millions)				
	Less than 1 year	1-2 years	2-4 years	> 4 years	Total
Trade payables	5,133.35	-	-	-	5,133.35
Borrowings	2,080.40	1,246.30	261.90	-	3,588.60
Other financial liabilities	11,400.25	-	-	-	11,400.25

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2021:

Particulars	(INR Millions)				
	Less than 1 year	1-2 years	2-4 years	> 4 years	Total
Trade payables	4,422.30	-	-	-	4,422.30
Borrowings	1,819.80	967.10	425.80	-	3,212.70
Other financial liabilities	1,305.75	-	-	-	1,305.75

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2020:

Particulars	(INR Millions)				
	Less than 1 year	1-2 years	2-4 years	> 4 years	Total
Trade payables	2,733.50	1.10	-	-	2,734.60
Borrowings	1,686.90	519.60	586.30	-	2,792.80
Other financial liabilities	1,096.90	-	-	-	1,096.90

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2019:

Particulars	(INR Millions)				
	Less than 1 year	1-2 years	2-4 years	> 4 years	Total
Trade payables	1,582.38	24.75	-	-	1,607.13
Borrowings	917.83	55.98	612.97	-	1,586.78
Other financial liabilities	683.88	-	-	-	683.88

**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

**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.

	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Borrowings other than compulsorily convertible preference shares	2,918.88	2,828.60	2,568.15	936.17
Less: cash and cash equivalents (refer note 8)	(1,668.16)	(2,758.63)	(1,200.38)	(16,626.39)
<b>Net debt</b>	<b>1,250.72</b>	<b>69.97</b>	<b>1,367.77</b>	<b>(15,690.22)</b>
Cumulative compulsorily convertible preference shares and Compulsorily Convertible Preference Shares (refer note 15 and 16)	915.28	538.83	391.72	391.72
Equity	47,025.95	28,013.98	31,312.34	33,491.11
<b>Total capital</b>	<b>47,941.23</b>	<b>28,552.81</b>	<b>31,704.06</b>	<b>33,882.83</b>
Capital and debt	49,191.95	28,622.78	33,071.83	18,192.61
Gearing ratio	2.54%	0.24%	4.14%	-86.25%

No material changes were made in the objectives, policies or processes for managing capital during the period and year ended 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019.

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
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**39. The consolidated summary statements of the Group includes subsidiaries and associates listed in the table below:**

S.No.	Name of the Company	Principal activities	Country of incorporation	% of equity interest			
				As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
1	Orion Supply Chain Private Limited (w.e.f 06 December 2019)	Freight services	India	100.00%	100.00%	100.00%	-
2	Skynet Logistics Private Limited	Freight services	India	100.00%	100.00%	100.00%	100.00%
3	Delhivery Corp Limited, United Kingdom	Freight services	United Kingdom	100.00%	100.00%	100.00%	100.00%
4	Delhivery USA LLC	Freight services	United States of America	100.00%	100.00%	Control on Composition of Board of Directors	
5	Delhivery HK Pte Ltd. (w.e.f 06 August 2018)	Freight services	Hong Kong	100.00%	100.00%	100.00%	100.00%
6	Delhivery Freight Services Pvt Ltd (w.e.f 21 April 2020)	Freight services	India	100.00%	100.00%	-	-
7	Leucon Technologies Private Limited (Associate)	Data Processing	India	28.56%	28.56%	28.56%	28.56%

**40. 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) (w.e.f 08 March ,2019)
Subsidiaries	Skynet Logistics Private Limited Delhivery USA LLC Delhivery Corp Limited, London, United Kingdom Delhivery HK Pte. Ltd. (w.e.f 06 August 2018) Orion Supply Chain Private Limited (w.e.f 06 December 2019) Delhivery Freight Services Pvt Ltd. (w.e.f 21 April 2020)
Associate	Leucon Technology Private Limited
Key Management Personnel ("KMP")	Mr. Sahil Barua (Director and Chief executive officer) (Redesignated as Managing Director on 13 October 2021) Mr. Mohit Tandon (Chief Strategy Officer - Client Servicing resigned w.e.f 28 February 2021) Mr. Suraj Saharan (Head - Orion till 1 August 2021 and Head - New Ventures w.e.f. 2 August 2021) Mr. Bhavesh Kishor Manglani (Head - Platforms resigned w.e.f 11 December 2020) Mr. Kapil Bharati (Chief Technical Officer - Technology) (Appointed as Executive Director w.e.f. 13 October, 2021) Mr. Ajith Pai Mangalore (Chief Financial Officer till 30 June 2020 and Chief Operating Officer w.e.f 01 July 2020) Mr. Amit Agarwal (Vice President Finance till 30 June 2020 and Chief Financial Officer w.e.f 01 July 2020) Mr. Deepak Manglani (Company Secretary resigned w.e.f 15 April 2020) Ms. Kriti Gupta (Company Secretary w.e.f 22 August 2020 till June 19, 2021) Mr. Vivek Kumar (Company Secretary w.e.f 19 Jun 2021 till 17 Sept 2021) Mr. Sunil Kumar Bansal (Company Secretary w.e.f 17 Sept 2021) Mr. Sandeep Kumar Barasia (Whole-Time-Director and Chief Business Officer) (Redesignated as Executive Director on 13 October 2021) Mr. Suvir Suren Sujan (Nominee Director) Mr. Variyar Sudhir Narayanankutty (Nominee Director resigned w.e.f 28 November 2019) Mr. Gautam Sinha (Nominee Director) Mr. Srivatsan Ranjan (Non-Executive Director) (Redesignated as Independent Director w.e.f. 01 October, 2021) Mr. Neeraj Bhardwaj (Nominee Director) Mr. Deep Verma (Nominee Director resigned w.e.f. 13 October 2021) Mr. Tang Bin (Nominee Director resigned w.e.f 14 March 2019) Mr. Deepak Kapoor (Non-Executive Director) (Redesignated as Independent Director w.e.f. 01 October, 2021) Ms. Hanne Birgitte Breinbjerg Sorensen (Non-Executive Director resigned w.e.f. 01 October 2021) Ms. Anjali Bansal (Non-Executive Director resigned w.e.f. 16 September 2021) Mr. Munish Ravinder Varma (Nominee Director w.e.f 07 March 2019) Mr. Yanxiang Lu (Nominee Director resigned w.e.f. 04 June 2020) Mr. Sumer Juneja (Nominee Director w.e.f 07 March 2019) Mr. Agus Tandiono (Nominee Director w.e.f 28 November 2019) Mr. Jiang Bo (Nominee Director w.e.f 25 June 2020) Mr. Romesh Sobti (Non Executive - Independent Director w.e.f. 01 October, 2021) Mr. Saugata Gupta (Non Executive - Independent Director w.e.f. 01 October, 2021) Ms. Kalpana Morparia (Non Executive - Independent Director w.e.f 13 October 2021)



40. Related Party Transactions (Continued)

a) The following is the summary of transactions with related parties for the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019 :

S.No	Name of the Related party	Nature of transactions	Period ended 30 June 2021	Year ended 31 March 2021	Year ended 31 March 2020	Year ended 31 March 2019
1	<b>Remuneration to key management personnel</b>	Salary and other employee benefits *				
	Mr. Sahil Barua		35.58	43.31	22.79	8.00
	Mr. Mohit Tandon		-	5.79	13.68	7.60
	Mr. Suraj Saharan		-	-	4.62	8.00
	Mr. Bhavesh Kishor Manglani		-	-	-	3.00
	Mr. Kapil Bharati		34.43	39.25	66.15	7.74
	Mr. Ajith Pai Mangalore		43.25	118.97	64.21	104.47
	Mr. Amit Agarwal		33.12	45.43	33.70	10.36
	Mr. Deepak Manglani		-	0.18	2.85	1.20
	Ms. Kriti Gupta		0.14	0.29	-	-
	Mr. Vivek Kumar		0.10	-	-	-
Mr. Sandeep Kumar Barasia	46.98	129.49	52.91	76.96		
2	<b>Payment to Non-executive Directors</b>	Fees to Non-executive Directors				
	Ms. Anjali Bansal		1.63	6.50	6.50	6.50
	Mr. Deepak Kapoor		1.63	6.50	6.50	6.50
	Ms. Hanne Birgitte Breinbjerg Sorensen		1.63	7.50	6.90	6.90
Mr. Srivatsan Ranjan	1.63	6.50	6.50	6.50		
3	<b>Loan and advances to key management personnel</b>	Loan and advances to KMP				
	Mr. Sandeep Kumar Barasia		-	51.40	-	-
	Mr. Sahil Barua		-	23.50	-	-
	Mr. Kapil Bharati		-	23.50	-	-
	Mr. Ajith Pai Mangalore		-	23.50	-	-
Mr. Amit Agarwal	-	23.50	-	-		
4	<b>Loan repayment from KMP</b>	Loan repayment from KMP				
	Mr. Sandeep Kumar Barasia		-	1.00	-	-
5	<b>Associate</b>	Purchase of services				
	Leucon Technology Private Limited		9.18	53.30	68.39	62.24

\* 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. Share based payment amounting to INR 158.42 Millions (31 March 2021: INR 268.3 Millions, 31 March 2020: INR 142.6 Millions, 31 March 2019: 152.70 Millions) has been charged to restated consolidated summary statement of profit and loss.

b) The following is the summary of balance outstanding with related parties as at 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019 :

S.No	Name of the Related party	Nature of transactions	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
1	<b>Remuneration to key management personnel</b>	Salary and other employee benefits *				
	Mr. Sahil Barua		2.13	5.89	5.00	1.10
	Mr. Mohit Tandon		-	-	3.40	1.10
	Mr. Suraj Saharan		-	-	1.20	1.00
	Mr. Bhavesh Kishor Manglani		-	-	-	0.20
	Mr. Kapil Bharati		1.81	5.15	4.20	1.00
	Mr. Ajith Pai Mangalore		1.87	5.13	3.90	1.00
	Mr. Amit Agarwal		0.99	3.05	2.20	0.50
	Mr. Sandeep Kumar Barasia		2.82	6.69	5.40	2.40
	Mr. Deepak Manglani		-	-	0.21	0.39
	Ms. Kriti Gupta		-	0.04	-	-
Mr. Vivek Kumar	0.21	-	-	-		
2	<b>Payable to Non-executive Directors</b>	Fees to Non-executive Directors				
	Ms. Anjali Bansal		1.63	1.63	1.63	1.63
	Mr. Deepak Kapoor		1.63	1.63	1.63	1.63
	Ms. Hanne Birgitte Breinbjerg Sorensen		1.63	1.88	1.73	1.73
	Mr. Srivatsan Ranjan		1.63	1.63	1.63	1.63
3	<b>Loan and advances to key management personnel</b>	Loan and advances to KMP				
	Mr. Sandeep Kumar Barasia		50.10	50.40	2.30	2.30
	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	-	-		
4	<b>Associate</b>	Trade payable				
	Leucon Technology Private Limited		2.83	4.43	6.90	4.50

\* 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. It also does not include share based payment transactions.

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No- U63090DL2011PTC221234**  
**Annexure VII - Notes to the Restated Consolidated Summary Statements**  
*(All amount in INR Millions unless otherwise stated)*

c) The following are the details of transaction eliminated during the period ended 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019:

**i) Delhivery Private Limited**

S.No	Name of the Related party	Nature of transactions	Period ended	Year ended	Year ended	Year ended
			30 June 2021	31 March 2021	31 March 2020	31 March 2019
			Transaction for the period	Transaction for the year	Transaction for the year	Transaction for the year
1	Delhivery Corp Limited, United Kingdom	Investment in equity	20.80	40.64	20.53	58.00
2	Delhivery HK Pte. Ltd.*	Investment in equity	-	-	19.93	0.00
		Services provided	36.07	88.19	142.51	1.63
3	Delhivery USA LLC	Investment in equity	-	197.45	70.32	-
		Services provided	21.37			
		Services received	-	3.20	0.07	3.28
4	Orion Supply Chain Private Limited	Investment in equity	-	-	0.10	-
		Loan given	20.00	61.00	40.00	-
		Interest income	2.80	6.65	0.70	-
		Services received	7.34	42.42	1.55	-
5	Skynet Logistic Private Limited	Interest income	2.40	-	9.47	9.49
6	Delhivery Freight Services Private Limited	Investment in equity	-	0.10	-	-
		Loan given	30.00	670.00	-	-
		Interest income	17.40	34.39	-	-
		Services provided	13.90	44.03	-	-

\* Value less than INR 1 Lakh

**ii) Orion Supply Chain Private Limited**

S.No	Name of the Related party	Nature of transactions	Period ended	Year ended	Year ended	Year ended
			30 June 2021	31 March 2021	31 March 2020	31 March 2019
			Transaction for the period	Transaction for the year	Transaction for the year	Transaction for the year
1	Delhivery Freight Services Private Limited	Income from lorry hire charges	24.20	58.21	-	-

d) The following are the details of balance eliminated as the period ended 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019:

**i) Delhivery Private Limited**

S.No	Name of the Related party	Nature of transactions	Period ended	Year ended	Year ended	Year ended
			30 June 2021	31 March 2021	31 March 2020	31 March 2019
			Outstanding for the period	Outstanding for the year	Outstanding for the year	Outstanding for the year
1	Skynet Logistic Private Limited	Loan receivable	93.81	93.81	93.81	93.81
		Provision created towards loan and advances	(93.81)	(93.81)	(93.81)	-
		Trade receivables	6.50	6.50	6.50	6.50
		Provision created towards trade receivables	(6.50)	(6.50)	(6.50)	-
		Interest accrued on inter company deposits	42.75	40.62	31.87	22.40
		Provision created towards inter company deposits	(42.75)	(40.62)	(31.87)	-
		COD payable	5.40	5.41	10.58	10.58
2	Orion Supply Chain Private Limited	Loan receivable	121.00	101.00	40.00	-
		Advances receivable	-	-	7.62	-
		Trade receivables	7.62	6.64	-	-
		Interest accrued on inter company deposits	9.36	6.85	0.70	-
3	Delhivery HK Pte. Ltd	Trade receivables	87.49	85.77	139.13	3.88
4	Delhivery USA LLC	Trade payable	4.01	3.98	0.80	0.38
		Trade receivables	21.37	-	-	-
		Advances receivable	0.08	0.08	0.08	-
5	Delhivery Freight Services Private Limited	Loan receivable	700.00	670.00	-	-
		Trade receivables	57.40	43.66	-	-
		Interest accrued on inter company deposits	47.44	31.81	-	-

**ii) Skynet Logistic Private Limited**

S.No	Name of the Related party	Nature of transactions	Period ended	Year ended	Year ended	Year ended
			30 June 2021	31 March 2021	31 March 2020	31 March 2019
			Outstanding for the period	Outstanding for the year	Outstanding for the year	Outstanding for the year
1	Delhivery USA LLC	Advances	1.24	1.24	1.24	1.24

**iii) Orion Supply Chain Private Limited**

S.No	Name of the Related party	Nature of transactions	Period ended	Year ended	Year ended	Year ended
			30 June 2021	31 March 2021	31 March 2020	31 March 2019
			Outstanding for the period	Outstanding for the year	Outstanding for the year	Outstanding for the year
1	Delhivery Freight Services Private Limited	Trade receivables	0.30	1.75	-	-

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**CIN No- U63090DL2011PTC221234**  
**Annexure VII - Notes to the Restated Consolidated Summary Statements**  
*(All amount in INR Millions unless otherwise stated)*

e) The following are the details of the investment eliminated as at period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019:

S.No	Name of the Related party	Nature of transactions	Period ended	Year ended	Year ended	Year ended
			30 June 2021	31 March 2021	31 March 2020	31 March 2019
			Outstanding for the period	Outstanding for the year	Outstanding for the year	Outstanding for the year
1	Skynet Logistic Private Limited	Investment in equity	55.10	55.10	55.10	55.10
		Provision for diminution in value of investment	(55.10)	(55.10)	(55.10)	-
2	Delhivery Corp Limited, United Kingdom	Investment in equity	209.00	147.50	147.50	127.00
		Provision for diminution in value of investment	(209.00)	(147.50)	(147.50)	(127.00)
3	Delhivery HK Pte. Ltd	Investment in equity	19.90	19.90	19.90	-
4	Delhivery USA LLC	Investment in equity	267.78	267.78	70.32	0.38
5	Orion Supply Chain Private Limited	Investment in equity	0.10	0.10	0.10	-
6	Delhivery Freight Services Private Limited	Investment in equity	0.10	0.10	-	-

**41. Segment Information**

The primary reporting of the Group 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') Chief Executive Officer (CEO) being the CODM, has evaluated of the Group'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 restated consolidated summary statements relate to the Group's single business segment..

The information based on geographical areas in relation to revenue and non- current operating assets are as follows:

**(i) Revenue from operations**

<b>Particulars</b>	<b>For the period ended '30 June 2021</b>	<b>For the year ended '31 March 2021</b>	<b>For the year ended '31 March 2020</b>	<b>For the year ended '31 March 2019</b>
Within India	13,201.65	36,543.78	27,784.92	16,538.30
Outside India	23.90	63.06	128.46	5.54
	13,225.55	36,606.84	27,913.38	16,543.84
Adjustment and elimination	(48.33)	(141.57)	(107.63)	(4.87)
	<b>13,177.22</b>	<b>36,465.27</b>	<b>27,805.75</b>	<b>16,538.97</b>

**(ii) Non - current operating assets**

<b>Particulars</b>	<b>As at 30 June 2021</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>	<b>As at 31 March 2019</b>
Within India	21,066.31	17,997.85	17,868.29	7,956.03
Outside India	21.11	21.91	67.14	28.99
	<b>21,087.42</b>	<b>18,019.76</b>	<b>17,935.43</b>	<b>7,985.02</b>
Adjustment and elimination	(357.41)	(346.76)	(89.93)	(55.48)
	<b>20,730.01</b>	<b>17,673.00</b>	<b>17,845.50</b>	<b>7,929.54</b>

**42. Details of dues to micro and small as defined under MSMED Act 2006**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period/ year (A+B+C)	7.65	20.53	7.97	0.61
A) Principal amount due to micro and small enterprises	7.65	20.53	7.97	0.61
B) 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 period / year	-	-	-	-
C) 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 period / 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.

**43. Capital and other commitments**

(a) As at 30 June 2021 the Group has estimated amount of contract remaining to be executed on capital account not provided for, net of advances INR 714.90 Millions (31 March 2021: INR 419.00 Millions 31 March 2020: INR 139.00 Millions, 31 March 2019: INR 3.90 Millions).

(b) As at 30 June 2021 the Group has Other commitment ( Labour guarantee- Dubai branch) INR 1.30 Millions (31 March 2021: INR 1.30 Millions, 31 March 2020: INR 1.30 Millions, 31 March, 2019: INR 1.30 Millions).

**44. Contingent Liability**

**Claims disputed by the Group:**

	30 June 2021	31 March 2021	31 March 2020	31 March 2019
Claims against the Group not acknowledged as debts*				
a) Tax matter in appeal : Income Tax	344.92	344.92	1,835.70	1,835.70
b) Others	0.50	0.50	0.50	0.50

\* The claims against the Group comprises of:

(a) The Group received Assessment Order dated 26 December 2018 for financial year 2015-2016 i.e. assessment year 2016-17 wherein the Assessing Officer (AO) raised Income tax demand of INR 1,835.70 Millions under Income Tax Act, 1961. The Group 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 INR 344.92 Millions accordingly vide letter dated 15 September 2021.

(b) An outsourced security vendor has commenced an action against the Group in respect of debit notes raised by the Group for non - performance of their agreed duties. The Group has estimated that if the action is successful, estimate liability may be approx. INR 0.50 Millions (31 March 2021: INR 0.50 Millions, 31 March 2020: INR 0.50 Millions, 31 March 2019: INR 0.50 Millions). A trial date has not yet been set and therefore it is not practicable to state the timing of any payment. The Group has been advised by its legal counsel that it is possible, but not probable, the action will succeed and accordingly no provision for liability has been recognized in the financial statements.

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). There are numerous interpretative issues relating to the Supreme Court (SC) judgement on Provident Fund dated 28 February 2019. As a matter of caution, the Group has made a provision on a prospective basis from the date of the SC order. The Group will update its provision, on receiving further clarity on subject.

45. As at period ended 30 June 2021 and for the year ended 31 March 2021, 31 March 2020 and 31 March 2019, the group is having net deferred tax assets primarily comprising of deductible temporary differences, unabsorbed depreciation and brought 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	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>Deferred Tax Liability</b>				
Impact on business combination	58.18	58.18	58.18	51.13
<b>Deferred Tax Assets</b>				
Deductible Temporary Difference	2,124.03	1,989.92	1,139.11	336.49
Brought Forward losses	2,084.16	2,027.96	1,799.85	1,571.54
Unabsorbed Depreciation	915.93	914.36	647.23	411.82
	<b>5,124.12</b>	<b>4,932.24</b>	<b>3,586.19</b>	<b>2,319.85</b>
Recognised in books	Nil	Nil	Nil	Nil

The Group has tax losses which arose in India of that are available for offsetting for eight years against future taxable profits of the companies in which the losses arose. Majority of these losses will expire in March 2026-27.

**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the period ended 30 June 2021, 31 March 2021 and 31 March 2020 and 31 March 2019**

	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
Accounting profit before income tax	(1,295.80)	(4,157.43)	(2,688.02)	(17,833.04)
At India's statutory income tax rate of 31.2% (31 March 2021: 31.2%, 31 March 2020: 31.2%, 31 March 2019: 31.2%, )	(404.29)	(1,297.12)	(838.66)	(5,563.91)
Share of results of associates	-	-	-	-
Effect of different tax rates in foreign Jurisdiction	14.88	60.49	(3.14)	0.24
Effect of tax free rates in foreign Jurisdiction	-	-	-	-
Other non-deductible items	(192.29)	(51.22)	(26.05)	4,702.38
Losses on which deferred taxes not recognised	267.50	194.15	218.35	438.26
Unabsorbed depreciation on which deferred taxes not recognised	69.35	266.10	233.86	153.18
Other temporary differences on which deferred taxes utilised	-	-	-	-
Other temporary differences on which deferred taxes not recognised	244.85	827.60	416.84	269.85
Income tax expense reported in the restated consolidated summary statement of profit and loss	-	-	(1.20)	-
	-	-	-	-

46. The Group has incorporated Delhivery Freight Services Private Limited, a wholly owned subsidiary of Delhivery Private Limited in April 2020. The Board of Directors of the Group on 25 June 2020 had granted its approval to transfer business, as a going concern on a slump sale basis, specific to Full Track Load (FTL) business in the name of "Delhivery Freight Services Private Limited" a wholly owned subsidiary of the Group

47. During FY 2018-19, the terms and conditions in the shareholder's agreement had been modified to not include the share buy-back clause w.e.f. 20 December 2018. Accordingly, fair value loss on share buy back obligations at fair value through profit or loss had been recorded up to the date of modification in terms i.e. 20 December 2018. Further, the Group had extinguished the financial liability at the time of modification in terms.

**48. Estimation uncertainty relating to the global health pandemic on COVID-19:**

The outbreak of Coronavirus (COVID-19) pandemic globally is causing significant disturbance and slowdown of activity with economic and social disruption to the Group impacting investment in subsidiaries, receivables including trade receivables, unbilled receivables, Right to Use Asset, goodwill and intangible assets. In assessing recoverability of such assets, the Group has considered internal and external information up to the date of approval of these financial statements. The Group has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Group expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic condition.

49. 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. Based on a preliminary assessment, the entity believes the impact of the change will not be significant."

50. 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.

51. Subsequent to the balance sheet date the company has made 100% investment in Spoton Logistics limited (Company engaged in the domestic road business and Air business) for a consideration of INR 15,109.28 Millions vide share purchase agreement dated 29 July 2021. Post the completion of acquisition Spoton logistics limited has become 100% subsidiary of Delhivery private limited w.e.f 24 August 2021.

52. Subsequent to period ended 30 June 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 dated 15 July 2021. The same is under process of regulatory approvals.

**53. Other statutory information**

(i) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group do not have any transactions with companies struck off.

(iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) 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 company (Ultimate Beneficiaries) or  
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) 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,

(vii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

54. Statutory Group Information

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 in INR Millions	As % of consolidated profit and loss	Amount in INR Millions	As % of consolidated other comprehensive income	Amount in INR Millions	As % of total comprehensive income	Amount in INR Millions
<b>Parent</b>								
Delhivery Private Limited								
Balance as at 30 June 2021	101.69%	48,236.00	84.94%	(1,100.59)	-53.53%	(0.67)	85.07%	(1,101.26)
Balance as at 31 March 2021	102.14%	28,974.35	85.70%	(3,562.92)	487.90%	10.05	85.50%	(3,552.87)
Balance as at 31 March 2020	99.72%	31,616.75	105.65%	(2,841.29)	-83.77%	(8.09)	106.34%	(2,849.38)
Balance as at 31 March 2019	100.24%	33,965.30	100.48%	(17,919.37)	50.11%	(2.30)	100.47%	(17,921.67)
<b>Indian subsidiaries</b>								
Orion Supply Chain Private Limited								
Balance as at 30 June 2021	-0.24%	(113.90)	1.61%	(20.89)	0.00%	-	1.61%	(20.89)
Balance as at 31 March 2021	-0.60%	(170.87)	3.96%	(164.52)	0.00%	-	3.96%	(164.52)
Balance as at 31 March 2020	-0.02%	(6.35)	0.24%	(6.45)	0.00%	-	0.24%	(6.45)
Balance as at 31 March 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Skynet Logistics Private Limited								
Balance as at 30 June 2021	-0.18%	(84.94)	0.18%	(2.28)	0.00%	-	0.18%	(2.28)
Balance as at 31 March 2021	-0.29%	(82.66)	0.44%	(18.38)	0.00%	-	0.44%	(18.38)
Balance as at 31 March 2020	-0.20%	(64.28)	0.72%	(19.39)	0.00%	-	0.72%	(19.39)
Balance as at 31 March 2019	-0.13%	(44.89)	0.11%	(20.48)	0.00%	-	0.11%	(20.48)
Delhivery Freight Services Private Limited								
Balance as at 30 June 2021	-0.96%	(454.11)	9.25%	(119.90)	2.43%	0.03	9.26%	(119.87)
Balance as at 31 March 2021	-2.09%	(593.66)	6.54%	(271.70)	13.42%	0.28	6.53%	(271.42)
Balance as at 31 March 2020	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
<b>Foreign subsidiaries</b>								
Delhivery Corp Limited, United Kingdom								
Balance as at 30 June 2021	0.02%	10.14	0.97%	(12.51)	0.00%	-	0.97%	(12.51)
Balance as at 31 March, 2021	0.00%	0.99	5.85%	(243.25)	0.00%	-	5.85%	(243.25)
Balance as at 31 March, 2020	0.00%	1.53	1.46%	(39.16)	0.00%	-	1.46%	(39.16)
Balance as at 31 March, 2019	0.06%	19.90	0.21%	(36.92)	0.00%	-	0.21%	(36.92)
Delhivery USA LLC								
Balance as at 30 June 2021	0.07%	35.07	4.15%	(53.80)	0.00%	-	4.16%	(53.80)
Balance as at 31 March, 2021	-0.91%	(257.41)	5.31%	(220.55)	0.00%	-	5.31%	(220.55)
Balance as at 31 March, 2020	0.23%	72.56	0.04%	(1.07)	0.00%	-	0.04%	(1.07)
Balance as at 31 March, 2019	0.00%	(0.24)	0.00%	-	0.00%	-	0.00%	-
Delhivery HK Pte Ltd.								
Balance as at 30 June 2021	0.04%	20.24	0.74%	(9.64)	0.00%	-	0.74%	(9.64)
Balance as at 31 March 2021	0.10%	28.19	0.14%	(5.87)	0.00%	-	0.14%	(5.87)
Balance as at 31 March 2020	0.12%	36.51	0.56%	(14.99)	0.00%	-	0.56%	(14.99)
Balance as at 31 March 2019	0.00%	(0.99)	0.00%	-	0.00%	-	0.00%	-
<b>Associate (as per proportionate consolidation/ investment as per the equity method)</b>								
Leucon Technology Private Limited								
Balance as at 30 June 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2021	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2020	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Balance as at 31 March 2019	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Consolidation Adjustments								
Balance as at 30 June 2021	-0.45%	(212.22)	-1.84%	23.81	151.10%	1.88	-1.98%	25.69
Balance as at 31 March 2021	1.65%	469.04	-7.93%	329.76	-401.56%	(8.27)	-7.74%	321.49
Balance as at 31 March 2020	0.15%	47.34	-8.67%	233.09	183.77%	17.74	-9.36%	250.83
Balance as at 31 March 2019	-0.17%	(56.25)	-0.81%	143.73	49.89%	(2.29)	-0.79%	141.44
<b>Total</b>								
Balance as at 30 June 2021	100.00%	47,436.28	100.00%	(1,295.80)	100.00%	1.24	100.00%	(1,294.56)
Balance as at 31 March 2021	100.00%	28,367.97	100.00%	(4,157.43)	100.00%	2.06	100.00%	(4,155.37)
Balance as at 31 March 2020	100.00%	31,704.06	100.00%	(2,689.26)	100.00%	9.65	100.00%	(2,679.61)
Balance as at 31 March 2019	100.00%	33,882.83	100.00%	(17,833.04)	100.00%	(4.59)	100.00%	(17,837.63)

As per our report of even date attached

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number : 101049W/E300004

per Yogesh Midha  
Partner  
Membership no : 094941

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

Sandeep Kumar Barasia  
Whole Time 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)

Place: New Delhi  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

Place: Gurugram  
Date: 13 October 2021

**PROFORMA FINANCIAL STATEMENTS**

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**Independent Practitioners' Assurance Report on the Compilation of Unaudited Pro Forma Consolidated Financial Information included in a Draft Red Herring Prospectus in connection with the proposed initial public offer of Delhivery Limited (formerly known as "Delhivery Private Limited")**

The Board of Directors,  
Delhivery Limited (formerly known as Delhivery Private Limited)  
Plot 5, Sector 44  
Gurugram – 122002  
Haryana, India

**Report on the Compilation of Unaudited Pro Forma Consolidated Financial Information included in a Draft Red Herring Prospectus**

1. We have completed our assurance engagement to report on the compilation of Unaudited Pro Forma Consolidated Financial Information of Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") by management of the Holding Company. The Unaudited Pro Forma Consolidated Financial Information consists of the unaudited pro forma consolidated combined balance sheet as at June 30, 2021 and March 31, 2021, the unaudited pro forma consolidated combined statement of profit and losses for the year ended March 31, 2021 and for the three month period ended June 30, 2021, and related notes to the unaudited proforma consolidated financial information. The applicable criteria on the basis of which the management of the Holding Company has compiled the Unaudited Pro Forma Consolidated Financial Information are described in note 2 of the Unaudited Pro Forma Consolidated Financial Information.
2. The Unaudited Pro Forma Consolidated Financial Information has been compiled by the management of the Holding Company to illustrate the impact of the acquisition of Spoton Logistics Private Limited (the "SLPL") as set out in Note 2 to the Unaudited Pro Forma Consolidated Financial Information on the Group's financial position as at March 31, 2021 and June 30, 2021 as if the acquisition of the SLPL had been consummated on March 31, 2021 and June 30, 2021 respectively and its financial performance for the year ended March 31, 2021 and for the three month period ended June 30, 2021 as if the acquisition of SLPL had consummated at April 01, 2020 and April 01, 2021 respectively.
3. As part of this process, information about the Group's financial position and financial performance has been extracted by the management of the Holding Company from the Group's restated consolidated summary statements for the year ended March 31, 2021 and for the three month period ended June 30, 2021, on which an examination report has been issued by us on October 13, 2021.

The information about the financial position and financial performance of SLPL has been extracted by the management of the Holding Company from the audited Special Purpose Consolidated Financial Statements of SLPL for the year ended March 31, 2021 and for the three month period June 30, 2021, on which B S R & Associates LLP, Chartered Accountants have issued an unmodified audit opinion on October 31, 2021.

## **Management's Responsibility for the Unaudited Pro Forma Consolidated Financial Information**

4. The management of the Holding Company is responsible for compiling the Unaudited Pro Forma Consolidated Financial Information on the basis set out in note 2 to the Unaudited Pro Forma Consolidated Financial Information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Unaudited Pro Forma Consolidated Financial Information on the basis set out in note 2 to the Unaudited Pro Forma Consolidated Financial Information that is free from material misstatement, whether due to fraud or error. The management of Holding Company is also responsible for identifying and ensuring that the Holding Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Unaudited Pro Forma Consolidated Financial Information.

## **Practitioners' Responsibilities**

5. Our responsibility is to express an opinion, whether the Unaudited Pro Forma Consolidated Financial Information has been compiled, in all material respects, by the management of Holding Company on the basis set out in note 2 to the Unaudited Pro Forma Consolidated Financial Information ("applicable criteria").
6. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the Auditors' comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the management has compiled, in all material respects, the Unaudited Pro Forma Consolidated Financial Information on the basis set out in applicable criteria.
7. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information / restated consolidated summary statements used in compiling the Unaudited Pro Forma Consolidated Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Consolidated Financial Information.
8. For our assurance engagement, we have placed reliance on the following:
  - a. the restated consolidated summary statements of the Group as of and for the year ended March 31, 2021 and for the three-month period ended June 30, 2021 and the relevant supporting information; and
  - b. the Special Purpose Consolidated Financial Statements of SLPL as of and for the year ended March 31, 2021 and for the three-month period ended June 30, 2021;
9. The purpose of Unaudited Pro Forma Consolidated Financial Information included in the draft red herring prospectus ("**DRHP**") is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction as at March 31, 2021 and June 30, 2021 or for the period then ended would have been, as presented.
10. A reasonable assurance engagement to report on whether the Unaudited Pro Forma Consolidated Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management of Holding Company in the compilation of the Unaudited Pro Forma Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:
  - a. The related pro forma adjustments give appropriate effect to those criteria; and

b. The Unaudited Pro Forma Consolidated Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the Auditors' judgment, having regard to the Auditors' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Consolidated Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Consolidated Financial Information.

11. Our work has not been carried out in accordance with the auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.
12. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

13. In our opinion, the Unaudited Pro Forma Consolidated Financial Information has been compiled, in all material respects, on the basis set out in the Note 2 to the Unaudited Pro Forma Consolidated Financial Information.

### **Emphasis of Matter**

We draw reference to the matter of emphasis given by the auditors of SLPL in the audited Special Purpose Consolidated Financial Statements for the year ended March 31, 2021 and for the three-month period June 30, 2021, which is reproduced as below:

“We draw attention to Note 39 and note 39 to the special purpose consolidated financial statements for the year ended 31 March 2021 and quarter ended 30 June 2021 respectively, 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 notes. The Scheme has been approved by the NCLT vide its order dated 27 November 2019 with an appointed date of 30 August 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 Special Purpose 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 aforesaid notes.”

Our opinion is not qualified in respect of this matter.

### **Restrictions on use**

14. This report should not in any way be construed as a reissuance or re-auditing or re-examination of any of the previous audit reports issued by us and other auditors. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

15. Our report is intended solely for use of the Board of Directors of the Holding Company for inclusion in the DRHP to be filed with the Securities and Exchange Board of India, National Stock Exchange of India Limited, BSE Limited, and Registrar of Companies, National Capital Territory of Delhi and Haryana in connection with the Proposed Initial public offering of the Holding Company and is not to be used, referred to or distributed for any other purpose.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

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**per Yogesh Midha**

Partner

Membership Number: 094941

UDIN: 21094941AAAAEJ9811

Place of Signature: Gurugram

Date: November 01, 2021

	Restated Consolidated Summary Statement of Assets and Liabilities of Delhivery Limited as at March 31, 2021	Spoton Logistics Private Limited Special Purpose Consolidated Balance Sheet as at March 31, 2021	Acquisition Adjustments	Intragroup elimination	Total adjustments	Note reference for adjustments	Unaudited Proforma Consolidated Combined Balance Sheet of Delhivery Limited as at March 31, 2021
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
<b>ASSETS</b>							
<b>I. Non-current assets</b>							
Property, plant and equipment	2,379.71	195.94	-	-	-		2,575.65
Right of use asset	7,828.04	924.13	-	-	-		8,752.17
Capital work in progress	767.55	-	-	-	-		767.55
Goodwill	186.48	807.15	11,800.15	-	11,800.15	3 (ix)	12,793.78
Other intangible assets	139.55	60.11	2,929.20	-	2,929.20	3 (iii)	3,128.86
Intangible assets under development	-	6.78	-	-	-		6.78
Financial assets							
(i) Investments	4,205.89	-	-	-	-		4,205.89
(ii) Other financial assets	886.62	133.67	-	-	-		1,020.29
Non-current tax assets (net)	1,231.69	273.85	-	-	-		1,505.54
Other non-current assets	47.47	20.78	-	-	-		68.25
<b>Total non-current assets</b>	<b>17,673.00</b>	<b>2,422.41</b>	<b>14,729.35</b>	<b>-</b>	<b>14,729.35</b>		<b>34,824.76</b>
<b>II. Current assets</b>							
Inventories	259.48	-	-	-	-		259.48
Financial assets							
(i) Investments	7,075.64	-	-	-	-		7,075.64
(ii) Trade receivables	5,945.82	1,792.77	-	(2.17)	(2.17)	3 (x)	7,736.42
(iii) Cash and cash equivalents	2,758.63	237.27	4,881.93	-	4,881.93	3 (i)	7,877.83
(iv) Other bank balances	15.78	6.87	-	-	-		22.65
(v) Loans	264.21	-	-	-	-		264.21
(vi) Other financial assets	10,815.26	492.21	-	-	-		11,307.47
Other current assets	1,170.16	216.22	-	-	-		1,386.38
<b>Total current assets</b>	<b>28,304.98</b>	<b>2,745.34</b>	<b>4,881.93</b>	<b>(2.17)</b>	<b>4,879.76</b>		<b>35,930.08</b>
<b>Total Assets (I+II)</b>	<b>45,977.98</b>	<b>5,167.75</b>	<b>19,611.28</b>	<b>(2.17)</b>	<b>19,609.11</b>		<b>70,754.84</b>
<b>EQUITY AND LIABILITIES</b>							
<b>III. EQUITY</b>							
Equity share capital	16.33	198.26	(198.26)	-	(198.26)	3 (iv)	16.33
Instruments entirely equity in nature	353.99	-	56.34	-	56.34	3 (i)	410.33
Other equity	27,997.65	288.41	19,753.20	-	19,753.20	3 (i)	48,039.26
<b>Total equity</b>	<b>28,367.97</b>	<b>486.67</b>	<b>19,611.28</b>	<b>-</b>	<b>19,611.28</b>		<b>48,465.92</b>
<b>LIABILITIES</b>							
<b>IV. Non-current liabilities</b>							
Financial Liabilities							
(i) Borrowings	1,316.09	1,059.48	-	-	-		2,375.57
(ii) Lease liabilities	6,538.44	654.78	-	-	-		7,193.22
(iii) Other financial liabilities	-	226.06	-	-	-		226.06
Provisions	219.16	75.59	-	-	-		294.75
Deferred tax liabilities (net)	-	33.48	-	-	-		33.48
<b>Total non-current liabilities</b>	<b>8,073.69</b>	<b>2,049.39</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>10,123.08</b>
<b>V. Current liabilities</b>							
Financial liabilities							
(i) Borrowings	1,697.34	727.23	-	-	-		2,424.57
(ii) Lease liabilities	1,617.16	312.82	-	-	-		1,929.98
(iii) Trade payables							
a. total outstanding dues of micro enterprises and small enterprises	20.52	16.02	-	-	-		36.54
b. total outstanding dues of creditors other than micro enterprises and small	4,401.78	1,356.09	-	(2.17)	(2.17)	3 (x)	5,755.70
(iv) Other financial liabilities	1,305.75	159.16	-	-	-		1,464.91
Provisions	121.67	18.94	-	-	-		140.61
Other current liabilities	370.90	41.43	-	-	-		412.33
Current tax liabilities (net)	1.20	-	-	-	-		1.20
<b>Total current liabilities</b>	<b>9,536.32</b>	<b>2,631.69</b>	<b>-</b>	<b>(2.17)</b>	<b>(2.17)</b>		<b>12,165.84</b>
<b>Total Equity and Liabilities (III+IV+V)</b>	<b>45,977.98</b>	<b>5,167.75</b>	<b>19,611.28</b>	<b>(2.17)</b>	<b>19,609.11</b>		<b>70,754.84</b>

**Note:**

The above statement should be read with notes to proforma financial statements.

As per our report of even date

**For S.R.Batliboi & Associates LLP**  
 Chartered Accountants  
 ICAI Firm registration number : 101049W/E300004

**For and on behalf of the board of directors of**  
 Delhivery Limited (formerly known as Delhivery Private Limited)

**per Yogesh Midha**  
  
**Partner**  
 Membership no : 094941

**Sandeep Kumar Barasia**  
**Whole Time Director and**  
**Chief Business Officer**  
 DIN: 01432123

**Sahil Barua**  
**Managing Director and**  
**Chief Executive Officer**  
 Director: 05131571

**Amit Agarwal**  
**Chief Financial Officer**

**Sunil Kumar Bansal**  
**Company Secretary**  
 (FCS-4810)

Place : New Delhi  
 Date : November 01, 2021

Place : Gurugram  
 Date : November 01, 2021

Place : Gurugram  
 Date : November 01, 2021

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**Unaudited Proforma Consolidated Combined Statement of Profits and Losses for the year ended March 31, 2021**  
(Amount in INR millions, unless otherwise stated)

	Restated Consolidated Summary Statement of Profit and Loss of Delhivery Limited for the year ended March 31, 2021	Spoton Logistics Private Limited Special Purpose Consolidated Statement of Profit and loss for the year ended March 31, 2021	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note reference for adjustments	Unaudited Proforma Consolidated Combined statement of profit and loss of Delhivery Limited for the year ended March 31, 2021
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
<b>Income</b>							
Revenue from contract with customers	36,465.27	8,035.88	-	(1.84)	(1.84)	3 (x)	44,499.31
Other income	1,917.64	26.89	-	-	-		1,944.53
<b>Total income (I)</b>	<b>38,382.91</b>	<b>8,062.77</b>	<b>-</b>	<b>(1.84)</b>	<b>(1.84)</b>		<b>46,443.84</b>
<b>Expenses</b>							
Freight, handling and servicing cost	27,780.82	5,925.38	-	(1.84)	(1.84)	3 (x)	33,704.36
Purchase of traded goods	102.08	-	-	-	-		102.08
Employee benefit expense	6,109.23	856.04	115.10	-	115.10	3 (vii)&(viii)	7,080.37
Fair value loss on financial liabilities at fair value through profit or loss	91.95	-	-	-	-		91.95
Finance costs	886.27	369.28	-	-	-		1,255.55
Depreciation and amortisation expense	3,546.20	718.98	1,320.19	-	1,320.19	3 (v)	5,585.37
Other expenses	3,610.49	503.19	95.00	-	95.00	3 (vi)	4,208.68
<b>Total expenses (II)</b>	<b>42,127.04</b>	<b>8,372.87</b>	<b>1,530.29</b>	<b>(1.84)</b>	<b>1,528.45</b>		<b>52,028.36</b>
<b>Loss before exceptional item and tax (III)</b>	<b>(3,744.13)</b>	<b>(310.10)</b>	<b>(1,530.29)</b>	<b>-</b>	<b>(1,530.29)</b>		<b>(5,584.52)</b>
Exceptional items (IV)	(413.30)	-	-	-	-		(413.30)
<b>Loss before tax (V= III+IV)</b>	<b>(4,157.43)</b>	<b>(310.10)</b>	<b>(1,530.29)</b>	<b>-</b>	<b>(1,530.29)</b>		<b>(5,997.82)</b>
<b>Tax expense, comprising:</b>							
Current tax	-	120.13	-	-	-		120.13
Deferred tax credit	-	(156.57)	-	-	-		(156.57)
<b>Total tax expense</b>	<b>-</b>	<b>(36.44)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>(36.44)</b>
<b>Loss for the year (III-IV)</b>	<b>(4,157.43)</b>	<b>(273.66)</b>	<b>(1,530.29)</b>	<b>-</b>	<b>(1,530.29)</b>		<b>(5,961.38)</b>
<b>Other comprehensive income</b>							
<b>Items that will not be reclassified to statement of profit and loss in subsequent periods</b>							
a) i) Re-measurement gains on defined benefit plans	10.38	9.70	-	-	-		20.08
ii) Income tax relating to items that will not be reclassified to profit and loss	-	(3.39)	-	-	-		(3.39)
<b>Subtotal (a)</b>	<b>10.38</b>	<b>6.31</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>16.69</b>
<b>Items that will be reclassified to profit or loss in subsequent periods:</b>							
b) i) Exchange differences on translation of foreign operations	(8.32)	-	-	-	-		(8.32)
ii) Income tax relating to items that will be re-classified to profit and loss	-	-	-	-	-		-
<b>Subtotal (b)</b>	<b>(8.32)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>(8.32)</b>
<b>Other comprehensive income / (loss) for the year (a+b)</b>	<b>2.06</b>	<b>6.31</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>8.37</b>
<b>Total Comprehensive loss for the year</b>	<b>(4,155.37)</b>	<b>(267.35)</b>	<b>(1,530.29)</b>	<b>-</b>	<b>(1,530.29)</b>		<b>(5,953.01)</b>
<b>Loss per share (Nominal value per share - Re 1)</b>							
- Basic loss per share (INR)	(8.05)						(10.79)
- Diluted loss per share (INR)	(8.05)						(10.79)

**Note:**  
The above statement should be read with notes to proforma financial statements.

**For S.R.Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number : 101049W/E300004

**For and on behalf of the board of directors of**  
Delhivery Limited (formerly known as Delhivery Private Limited)

**per Yogesh Midha**  
**Partner**  
Membership no : 094941

**Sandeep Kumar Barasia**  
**Whole Time Director and**  
**Chief Business Officer**  
DIN: 01432123

**Sahil Barua**  
**Managing Director and**  
**Chief Executive Officer**  
Director: 05131571

**Amit Agarwal**  
**Chief Financial Officer**

**Sunil Kumar Bansal**  
**Company Secretary**  
(FCS-4810)

Place : New Delhi  
Date : November 01, 2021

Place : Gurugram  
Date : November 01, 2021

Place : Gurugram  
Date : November 01, 2021

	Restated Consolidated Summary Statement of Assets and Liabilities of Delhivery Limited as at June 30, 2021	Spoton Logistics Private Limited Special Purpose Interim Consolidated Balance Sheet as at June 30, 2021	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note reference for adjustments	Unaudited Proforma Consolidated Combined Balance Sheet of Delhivery Limited as at June 30, 2021
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
<b>ASSETS</b>							
<b>I. Non-current assets</b>							
Property, plant and equipment	2,863.16	192.63	-	-	-		3,055.79
Right of use asset	7,176.68	905.42	-	-	-		8,082.10
Capital work in progress	369.02	-	-	-	-		369.02
Goodwill	186.48	741.29	11,967.32	-	11,967.32	3 (ix)	12,895.09
Other intangible assets	136.77	68.39	2,929.20	-	2,929.20	3 (iii)	3,134.36
Intangible assets under development	-	15.91	-	-	-		15.91
Financial assets							
(i) Investments	2,867.10	-	-	-	-		2,867.10
(ii) Other financial assets	6,102.84	152.39	-	-	-		6,255.23
Non-current tax assets (net)	913.13	297.28	-	-	-		1,210.41
Other non-current assets	114.83	20.82	-	-	-		135.65
Deferred tax assets (net)	-	30.10	-	-	-		30.10
<b>Total non-current assets</b>	<b>20,730.01</b>	<b>2,424.23</b>	<b>14,896.52</b>	<b>-</b>	<b>14,896.52</b>		<b>38,050.76</b>
<b>II. Current assets</b>							
Inventories	282.66	-	-	-	-		282.66
Financial assets							
(i) Investments	27,035.53	-	(15,109.28)	-	(15,109.28)	3 (ii)	11,926.25
(ii) Trade receivables	6,949.88	1,243.21	-	(6.21)	(6.21)	3 (x)	8,186.88
(iii) Cash and cash equivalents	1,668.16	154.02	(95.00)	-	(95.00)	3 (vi)	1,727.18
(iv) Other bank balances	-	8.50	-	-	-		8.50
(v) Loans	231.90	-	-	-	-		231.90
(vi) Other financial assets	6,871.48	500.90	-	-	-		7,372.38
Other current assets	2,052.30	155.09	-	-	-		2,207.39
<b>Total current assets</b>	<b>45,091.91</b>	<b>2,061.72</b>	<b>(15,204.28)</b>	<b>(6.21)</b>	<b>(15,210.49)</b>		<b>31,943.14</b>
<b>Total Assets (I+II)</b>	<b>65,821.92</b>	<b>4,485.95</b>	<b>(307.76)</b>	<b>(6.21)</b>	<b>(313.97)</b>		<b>69,993.90</b>
<b>EQUITY AND LIABILITIES</b>							
<b>III. EQUITY</b>							
Equity share capital	16.38	198.26	(198.26)	-	(198.26)	3 (iv)	16.38
Instruments entirely equity in nature	410.33	-	-	-	-		410.33
Other equity	47,009.57	121.24	(109.50)	-	(109.50)	3 (ii)	47,021.31
<b>Total equity</b>	<b>47,436.28</b>	<b>319.50</b>	<b>(307.76)</b>	<b>-</b>	<b>(307.76)</b>		<b>47,448.02</b>
<b>LIABILITIES</b>							
<b>IV. Non-current liabilities</b>							
Financial Liabilities							
(i) Borrowings	1,451.79	1,160.66	-	-	-		2,612.45
(ii) Lease liabilities	5,971.30	640.94	-	-	-		6,612.24
(iii) Other financial liabilities	-	226.11	-	-	-		226.11
Provisions	236.16	95.05	-	-	-		331.21
<b>Total non-current liabilities</b>	<b>7,659.25</b>	<b>2,122.76</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>9,782.01</b>
<b>V. Current liabilities</b>							
Financial liabilities							
(i) Borrowings	1,972.05	619.12	-	-	-		2,591.17
(ii) Lease liabilities	1,594.47	308.99	-	-	-		1,903.46
(iii) Trade payables							
a. total outstanding dues of micro enterprises and small enterprises	7.65	3.65	-	-	-		11.30
b. total outstanding dues of creditors other than micro enterprises and small	5,125.70	926.52	-	(6.21)	(6.21)	3 (x)	6,046.01
(iv) Other financial liabilities	1,155.10	147.61	-	-	-		1,302.71
Provisions	128.80	8.98	-	-	-		137.78
Other current liabilities	741.42	28.82	-	-	-		770.24
Current tax liabilities (net)	1.20	-	-	-	-		1.20
<b>Total current liabilities</b>	<b>10,726.39</b>	<b>2,043.69</b>	<b>-</b>	<b>(6.21)</b>	<b>(6.21)</b>		<b>12,763.87</b>
<b>Total Equity and Liabilities (III+IV+V)</b>	<b>65,821.92</b>	<b>4,485.95</b>	<b>(307.76)</b>	<b>(6.21)</b>	<b>(313.97)</b>		<b>69,993.90</b>

**Note:**

The above statement should be read with notes to proforma financial statements.

As per our report of even date

For S.R.Batliboi & Associates LLP  
 Chartered Accountants  
 ICAI Firm registration number : 101049W/E300004

For and on behalf of the board of directors of  
 Delhivery Limited (formerly known as Delhivery Private Limited)

per Yogesh Midha  
 Partner  
 Membership no : 094941

Sandeep Kumar Barasia  
 Whole Time Director and  
 Chief Business Officer  
 DIN: 01432123

Sahil Barua  
 Managing Director and  
 Chief Executive Officer  
 Director: 05131571

Amit Agarwal  
 Chief Financial Officer

Sunil Kumar Bansal  
 Company Secretary  
 (FCS-4810)

Place : New Delhi  
 Date : November 01, 2021

Place : Gurugram  
 Date : November 01, 2021

Place : Gurugram  
 Date : November 01, 2021

Delhivery Limited (formerly known as Delhivery Private Limited)  
**Unaudited Proforma Consolidated Combined Statement of Profits and Losses for the period ended June 30, 2021**  
(Amount in INR millions, unless otherwise stated)

	Restated Consolidated Summary Statement of Profit and Loss of Delhivery Limited for three months period ended June 30, 2021	Spoton Logistics Private Limited Special Purpose Interim Consolidated for three months period ended June 30, 2021	Acquisition Adjustments	Intragroup elimination	Total Adjustments	Note reference for adjustments	Unaudited Proforma Consolidated Combined Statement of Profit and Loss of Delhivery Limited for the three months period ended June 30, 2021
	(A)	(B)	(C)	(D)	(E=C+D)		(F=A+B+E)
<b>Income:</b>							
Revenue from contract with customers	13,177.22	1,902.43	-	(3.95)	(3.95)	3 (x)	15,075.70
Other income	462.89	0.60	-	-	-		463.49
<b>Total income (I)</b>	<b>13,640.11</b>	<b>1,903.03</b>	<b>-</b>	<b>(3.95)</b>	<b>(3.95)</b>		<b>15,539.19</b>
<b>Expenses:</b>							
Freight, handling and servicing cost	8,679.06	1,384.33	-	(3.95)	(3.95)	3 (x)	10,059.44
Purchase of traded goods	1,621.33	-	-	-	-		1,621.33
Change in inventory of traded goods	(62.30)	-	-	-	-		(62.30)
Employee benefit expense	2,064.51	226.51	28.77	-	28.77	3 (vii)&(viii)	2,319.79
Fair value loss on financial liabilities at fair value through profit or loss	320.12	-	-	-	-		320.12
Finance costs	227.24	174.98	-	-	-		402.22
Depreciation and amortisation expense	817.88	189.51	330.05	-	330.05	3 (v)	1,337.44
Other expenses	1,268.07	145.25	95.00	-	95.00	3 (vi)	1,508.32
<b>Total expenses (II)</b>	<b>14,935.91</b>	<b>2,120.58</b>	<b>453.82</b>	<b>(3.95)</b>	<b>449.87</b>		<b>17,506.36</b>
<b>Loss before exceptional item and tax (III)</b>	<b>(1,295.80)</b>	<b>(217.55)</b>	<b>(453.82)</b>	<b>-</b>	<b>(453.82)</b>		<b>(1,967.17)</b>
Exceptional items (IV)	-	-	-	-	-		-
<b>Loss before tax (V= III+IV)</b>	<b>(1,295.80)</b>	<b>(217.55)</b>	<b>(453.82)</b>	<b>-</b>	<b>(453.82)</b>		<b>(1,967.17)</b>
<b>Tax expense, comprising:</b>							
Current tax	-	12.96	-	-	-		12.96
Deferred tax credit	-	(61.85)	-	-	-		(61.85)
<b>Total tax expense</b>	<b>-</b>	<b>(48.89)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>(48.89)</b>
<b>Loss for the period (III-IV)</b>	<b>(1,295.80)</b>	<b>(168.66)</b>	<b>(453.82)</b>	<b>-</b>	<b>(453.82)</b>		<b>(1,918.28)</b>
<b>Other comprehensive income</b>							
<b>(a) Items that will not be reclassified to statement of profit and loss in subsequent periods</b>							
i) Re-measurement loss on defined benefit plans	(1.24)	(4.96)	-	-	-		(6.20)
ii) Income tax relating to items that will not be reclassified to profit and loss	-	1.73	-	-	-		1.73
<b>Subtotal (a)</b>	<b>(1.24)</b>	<b>(3.23)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>(4.47)</b>
<b>(b) Items that will be reclassified to profit or loss in subsequent periods:</b>							
i) Exchange differences on translation of foreign operations	2.48	-	-	-	-		2.48
ii) Income tax relating to items that will be re-classified to profit and loss	-	-	-	-	-		-
<b>Subtotal (b)</b>	<b>2.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>2.48</b>
<b>Other comprehensive income / (loss) for the period (a+b)</b>	<b>1.24</b>	<b>(3.23)</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>(1.99)</b>
<b>Total Comprehensive loss for the period</b>	<b>(1,294.56)</b>	<b>(171.89)</b>	<b>(453.82)</b>	<b>-</b>	<b>(453.82)</b>		<b>(1,920.27)</b>
<b>Loss per share (Nominal value per share - Re 1)</b>							
- Basic loss per share (INR)	(2.41)						(3.34)
- Diluted loss per share (INR)	(2.41)						(3.34)

**Note:**  
The above statement should be read with notes to proforma financial statements.

**For S.R.Batlboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number : 101049W/E300004

**For and on behalf of the board of directors of**  
Delhivery Limited (formerly known as Delhivery Private Limited)

**per Yogesh Midha**  
**Partner**  
Membership no : 094941

**Sandeep Kumar Barasia**  
**Whole Time Director and**  
**Chief Business Officer**  
DIN: 01432123

**Sahil Barua**  
**Managing Director and**  
**Chief Executive Officer**  
Director: 05131571

**Amit Agarwal**  
**Chief Financial Officer**

**Sunil Kumar Bansal**  
**Company Secretary**  
(FCS-4810)

Place : New Delhi  
Date : November 01, 2021

Place : Gurugram  
Date : November 01, 2021

Place : Gurugram  
Date : November 01, 2021



**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**Notes to the unaudited proforma consolidated financial information as at and for the year ended March 31, 2021 and as at and for the three months period June 30, 2021**

(All amounts in INR Millions, unless otherwise stated)

**1) Background**

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 converted itself into Public Limited Company on 12 October 2021.

The Company and its subsidiaries (hereinafter collectively referred to as 'the Group') are carrying out 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.

Subsequent to the year ended March 31, 2021, the Company has undertaken following acquisition in respect of which these unaudited proforma consolidated financial information is being prepared:

On August 24, 2021, The Company acquired 100% equity in Spoton Logistics Private Limited along with its 100% subsidiary namely "RAAG Technology and Services Private Limited" (referred together as "Spoton Group"), which has with effect from that date become a subsidiary of the Company (together 'Parties to the agreement'). The principal activity of Spoton Group is transportation freight through surface transport within the territory of India.

The financial information gives effect to the acquisition of Spoton Group for consideration of INR 15,216.02 on August 24, 2021. The consideration includes INR 15,109.28 paid in cash and INR 106.74 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. The purchase consideration paid in cash on acquisition, was funded by the issue of cumulative compulsorily convertible preference shares amounting to INR 20,086.21 issued by the Group.

**2) Basis of preparation**

The unaudited proforma consolidated financial information has been prepared by the Management of the Company in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") to illustrate the impact of a significant acquisition as mentioned in point 1 above, made after the date of the latest period for which financial information is disclosed in the Draft Red Herring Prospectus (DRHP) (i.e. three months ended June 30, 2021) but before the filling of DRHP as if the acquisition had taken place (i) on June 30, 2021 and March 31, 2021 for the purpose of unaudited proforma consolidated combined balance sheet and (ii) on April 01, 2021 and April 01, 2020 for the purpose of unaudited proforma consolidated combined statement of profit and loss. The unaudited proforma consolidated financial information have been prepared specifically for inclusion in the Offer Document to be filed by the Company with SEBI in connection with proposed Initial Public Offering ("IPO").

The unaudited proforma consolidated financial information are derived from restated consolidated summary statements of the Group, special purpose consolidated financial statements of Spoton Group as of March 31, 2021 ('March 21 special purpose consolidated financial statements') and special purpose interim consolidated financial statements as of June 30, 2021 ('June 21 special purpose interim consolidated financial statements') (The March 21 special purpose consolidated financial statements and June 21 special purpose interim consolidated financial statements are collectively referred to as the "special purpose consolidated financial statements"), adjusted for intercompany eliminations and acquisition adjustments for subsequent acquisition mentioned above, as if the transaction related to such acquisition to obtain control over Spoton Group had occurred on March 31, 2021 and June 30, 2021 for the purpose of unaudited proforma consolidated combined balance sheet. Further, the unaudited proforma consolidated combined statement of profit and loss for the year ended March 31, 2021 and three months period ended June 30, 2021 has been illustrated to reflect the acquisition of Spoton Group as if the transaction related to acquisition of aforesaid obtain control over Spoton Group occurred on and from April 01, 2020 and

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**Notes to the unaudited proforma consolidated financial information as at and for the year ended March 31, 2021 and as at and for the three months period June 30, 2021**  
(All amounts in INR Millions, unless otherwise stated)

April 01, 2021 respectively. The description of adjustments made to the unaudited proforma consolidated financial information are included in the note 3 below.

The assumptions and estimates underlying the adjustments to the unaudited proforma consolidated financial information are described hereinafter which should be read together with the unaudited proforma consolidated combined statement of profit and loss and unaudited proforma consolidated combined balance sheet.

The unaudited proforma consolidated financial information should be read together with the Groups 's restated consolidated summary statements and the special purpose consolidated financial statements of Spoton Group.

The business combination has been accounted for under the acquisition method in accordance with Ind AS 103 'Business Combinations'. Accordingly, Group has provisionally allocated the purchase consideration to the estimated fair value of assets acquired and liabilities assumed and recognised the difference between purchase consideration and net assets as goodwill in the unaudited proforma consolidated combined balance sheet as at June 30, 2021 and March 31, 2021.

The proforma consolidated financial information were approved by the Board of Directors of the Company on November 01, 2021.

Because of their nature, the unaudited proforma consolidated financial information addresses a hypothetical situation and therefore, do not represent Group's factual financial position or results. Accordingly, the unaudited proforma consolidated financial information does not necessarily reflect what the Group's financial condition or results of operations would have been had the acquisitions occurred on the dates indicated and is also not intended to be indicative of expected financial position or results of operations in future periods. The actual balance sheet and statement of profit and loss may differ significantly from the proforma amounts reflected herein due to variety of factors.

The proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Further, such unaudited proforma consolidated financial information has not been prepared in accordance with standards and practices acceptable in any other jurisdiction and accordingly, should not be relied upon as if it had been carried out in accordance with standards and practices in any other jurisdiction. Accordingly, the degree of reliance placed by anyone on such unaudited proforma consolidated financial information should be limited. In addition, the rules and regulations related to the preparation of unaudited proforma consolidated financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs above to prepare these unaudited proforma consolidated financial information.

The restated consolidated summary statements have been adjusted in the unaudited proforma consolidated financial information to give effect to the proforma event that are (1) directly attributable to such acquisition and (2) factually supportable.

The adjustments made to the unaudited proforma consolidated financial information are included in the following sections.

The unaudited proforma consolidated financial information is based on:

- a) the restated consolidated summary statement of assets and liabilities as at March 31, 2021 and as at June 30, 2021 and restated consolidated profit and loss accounts of the Group for the year ended March 31, 2021 and for three months period ended June 31, 2021; and
- b) the audited Special Purpose Consolidated Financial Statements of Spoton Group as of and for the year ended March 31, 2021 and as of and for the three months period ended June 30, 2021.
- c) inter group elimination between the Group and Spoton Group as at March 31, 2021 and June 30, 2021 and for the year ended March 31, 2021, three months period ended 30 June 2021

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**Notes to the unaudited proforma consolidated financial information as at and for the year ended March 31, 2021 and as at and for the three months period June 30, 2021**

(All amounts in INR Millions, unless otherwise stated)

- d) adjustments to the unaudited proforma consolidated financial information arising from balances between the Group and the acquired entity during the year ended March 31, 2021 for the purpose of unaudited consolidated combined proforma Balance sheet,
- e) adjustments to the unaudited proforma consolidated financial information arising from transactions between the Group and the acquired entity during the year ended March 31, 2021 and three months period ended June 30, 2021 for the purpose of unaudited consolidated combined proforma profit and loss
- f) adjustments to recognise the impact of allocation of purchase consideration paid/payable by the Company.

**3) Proforma adjustments**

The Special Purpose Consolidated Financial Statements of Spoton Group have been prepared in accordance with the measurement and recognition principles of Ind AS and the management of Delhivery has adjusted the unaudited proforma consolidated financial information to comply with the Group's accounting policies in all material aspects (collectively referred to as "Group accounting policies" as appearing in Restated Consolidated Summary Statements). Such financial information has been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis.

The following adjustments have been made to present the unaudited proforma consolidated financial information:

**Acquisition related adjustments:**

- (i) For unaudited proforma consolidated combined balance sheet as at March 31, 2021 and as at June 30, 2021 the total purchase consideration payable is INR 15,216.02, which includes the INR 15,109.28 paid in cash and INR 106.74 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, adjusted as below.
  - a) The consideration for this acquisition has been financed through issue of cumulative compulsorily convertible preference shares ("CCCPS") which are entirely equity in nature amounting to INR 20,086.21 issued on May 31, 2021. Accordingly, an amount of INR 56.34 equivalent to face value of CCCPS has been added as instruments entirely equity in nature and INR 20,029.87 has been added as share premium. Corresponding to the same, INR 20,086.21 has been added to cash and cash equivalent. The aforesaid adjustment has been considered in unaudited proforma consolidated combined balance sheet as at March 31, 2021.
  - b) For unaudited proforma consolidated balance sheet as at March 31, 2021, the purchase consideration for INR 15,109.28 which has been paid in cash on acquisition has been reduced from cash and cash equivalent. Also acquisition costs amounted to INR 95.00 incurred by Company in connection with Spoton Group acquisition is reduced from the cash and cash equivalent and the other equity as at March 31, 2021.

The purchase consideration of INR 106.74 which has been paid through ESOP awards, as discussed in (i) above, has been added to the other equity.

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**Notes to the unaudited proforma consolidated financial information as at and for the year ended March 31, 2021 and as at and for the three months period June 30, 2021**

(All amounts in INR Millions, unless otherwise stated)

**Adjustments in cash and cash equivalent and other Equity As at 31 March 2021**

<b>Particulars</b>	<b>Cash and Cash equivalent</b>	<b>Other equity</b>
Issue of cumulative compulsorily convertible preference shares	56.34	-
<b>Add:</b> Securities premium received on issue of cumulative compulsorily convertible preference shares	20,029.87	20,029.87
<b>Add:</b> Replacement of ESOP awards	-	106.74
<b>Less:</b> Purchase consideration paid	(15,109.28)	-
<b>Less:</b> Acquisition cost - refer 3 (vi)	(95.00)	(95.00)
<b>Less:</b> Elimination of Spoton retained earnings and security premium – refer 3 (iv)	-	(288.41)
<b>Total Adjustments</b>	<b>4,881.93</b>	<b>19,753.20</b>

- (ii) For unaudited proforma consolidated combined balance sheet as at June 30, 2021, the purchase consideration for INR 15,109.28 which has been paid in cash on acquisition has been reduced from investments of the Company. Also Acquisition costs amounted to INR 95.00 incurred by Company in connection with Spoton Group acquisition is reduced from the cash and cash equivalent and the other equity as at June 30, 2021

The purchase consideration of INR 106.74 which has been paid through ESOP awards, as discussed in (i) above, has been added to the other equity.

Funding through issue of cumulative compulsorily convertible preference shares amounting to INR 20,086.21 has already been received before June 30, 2021 and hence no adjustment is required in the unaudited proforma consolidated financial information.

**Adjustments in investment and other equity As at 30 June 2021**

<b>Particulars</b>	<b>Investment</b>	<b>Other equity</b>
Replacement of ESOP awards	-	106.74
<b>Less:</b> Purchase consideration paid	(15,109.28)	-
<b>Less:</b> Acquisition cost - refer 3 (vi)	-	(95.00)
<b>Less:</b> Elimination of Spoton retained earnings and security premium – refer 3 (iv)	-	(121.24)
<b>Total Adjustments</b>	<b>(15,109.28)</b>	<b>(109.50)</b>

- (iii) Intangibles (IP, Customer relations, Vendor relations, Brand name) amounting to INR 2,929.20 valued by an independent valuer, has been recognized under the head 'Intangible assets' in the unaudited proforma consolidated combined balance sheet as at March 31, 2021 and as at June 30, 2021.
- (iv) Investment of the Company in Spoton Group stands eliminated with equity share capital of Spoton group amounting to INR 198.26 as at March 31, 2021 and June 30, 2021, securities premium & retained earnings of Spoton group amounting to INR 288.41 and INR 121.24 as at March 31, 2021 and June 30, 2021 respectively.

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**Notes to the unaudited proforma consolidated financial information as at and for the year ended March 31, 2021 and as at and for the three months period June 30, 2021**

(All amounts in INR Millions, unless otherwise stated)

- (v) Amortisation of Intangibles, based on useful life as assessed by the management, amounting to INR 1,320.19 has been considered for the year ended March 31, 2021 and amounting to INR 330.05 has been considered for three months period ended June 30, 2021.
- (vi) Acquisition costs amounted to INR 95.00 incurred by Company in connection with Spoton Group acquisition is included in other expenses for the year ended March 31, 2021 and for three months period ended June 30, 2021. Further cash and cash equivalent and the other equity as at March 31, 2021 and June 30, 2021 has been reduced by INR 95.00.
- (vii) Conditional bonus for management payable after 24 months is included under employee benefits expenses amounted to INR 37.50 for the year ended March 31, 2021 and amounted to INR 9.37 for three period ended June 30, 2021
- (viii) The charge of additional ESOPs issued by the Company to certain employees of Spoton group who had joined Delhivery Limited subsequent to acquisition of Spoton Group, is included under employee benefits expenses amounted to INR 77.60 for the year ended March 31, 2021 and amounted to INR 19.40 for three period ended June 30, 2021.
- (ix) The purchase price of INR 15,216.02 as on the date of acquisition had been provisionally allocated to the acquired assets and liabilities as follows:

<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 30 June 2021</b>
Net Assets	486.67	319.50
Fair value of Intangibles	2,929.20	2,929.20
Goodwill	11,800.15	11,967.32
<b>Total Purchase consideration</b>	<b>15,216.02</b>	<b>15,216.02</b>

The goodwill has been calculated based on the special purpose consolidated balance sheet of Spoton Group as at March 31, 2021 and as of June 30, 2021 respectively. As of March 31, 2021, the fair value of the net assets (including intangible assets) acquired of Spoton Group, amounts to INR 3,415.87 Accordingly, an amount of INR 11,800.15 being the excess of the aggregate of the purchase consideration for the acquisition over its share of net assets acquired, has been recognized as goodwill on consolidation. As of June 30, 2021, the fair value of the net assets (including intangible assets) acquired of Spoton Group amounts to INR 3,248.70 Accordingly, an amount of INR 11,967.32 being the excess of the aggregate of the purchase consideration for the acquisition over its share of net assets acquired has been recognised as goodwill on consolidation.

The goodwill and other acquisition related adjustments computed in case of acquisition of the above entity and business are based on purchase price allocation ("PPA") available with the Company as at March 31, 2021 and June 30, 2021 assessed on a provisional basis. The final PPA will be determined when the Company has completed detailed valuations and necessary calculations. The final allocation could differ materially from the provisional allocation used in proforma adjustments. The final allocation may include (1) changes in allocations to specified intangible assets as well as goodwill and (2) other changes to assets and liabilities. Adjustment, resulting from changes in PPA, shall be carried out in the consolidated financial statements of the Company for the year ending March 31, 2022.

- (x) **Intragroup elimination adjustments:**  
 Adjustment on account of elimination of Intragroup transactions and balance between the Group and Spoton Group as follows:

**Delhivery Limited (formerly known as Delhivery Private Limited)**  
**Notes to the unaudited proforma consolidated financial information as at and for the year ended March 31, 2021 and as at and for the three months period June 30, 2021**

(All amounts in INR Millions, unless otherwise stated)

<b>Particular</b>	<b>For the year ended March 31, 2021</b>	<b>For three months period ended June 30, 2021</b>
<b>Unaudited Proforma Consolidated Combined statement of Profit and Loss</b>		
Decrease in revenue from operations	(1.84)	(3.95)
Decrease in freight, handling and servicing cost	(1.84)	(3.95)
<b>Particular</b>	<b>As at March 31, 2021</b>	<b>As at June 30, 2021</b>
<b>Unaudited Proforma Consolidated Combined Balance Sheet</b>		
Decrease in trade receivables	(2.17)	(6.21)
Decrease in trade payable	(2.17)	(6.21)

- (xi) No adjustment has been done for the deferred tax liability arising on the aforesaid acquisition due to the availability of unrecognised deferred tax assets in the books of the Group.
- (xii) Earnings per share (EPS): Proforma EPS calculation for the year ended March 2021 and three months period ended June 30, 2021 has been based on unaudited proforma consolidated combined statement of profit and loss of respective year/period and the assumption that the equity shares or preference shares issued as part of both the transactions were in issue at the beginning of the year/period for which unaudited proforma consolidated financial information have been presented.
- (xiii) Subsequent to period ended 30 June 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 dated July 15, 2021. The same is under process of regulatory approval, hence, has not been considered for the unaudited consolidated proforma financial information.
- (xiv) Other than as mentioned above, no additional adjustments have been made to the unaudited proforma consolidated combined balance sheet or the unaudited proforma consolidated combined statement of profit and loss to reflect any trading results or other transactions of the Group entered into subsequent to June 30, 2021.

**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: November 01, 2021

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

**Sandeep Kumar Barasia**  
**Whole Time Director**  
**and Chief Business Officer**  
**DIN: 01432123**

**Amit Agarwal**  
**Chief Financial officer**

Place: Gurugram  
Date: November 01, 2021

**Sahil Barua**  
**Managing Director and**  
**Chief Executive Officer**  
**DIN: 05131571**

**Sunil Kumar Bansal**  
**Company Secretary**  
**(FCS – 4810)**

Place: Gurugram  
Date: November 01, 2021

**SPECIAL PURPOSE CONSOLIDATED FINANCIAL STATEMENTS OF SPOTON LOGISTICS  
PRIVATE LIMITED**

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## **INDEPENDENT AUDITORS' REPORT**

### **To the Board of Directors of Spoton Logistics Private Limited**

#### **Report on the Audit of Special Purpose Consolidated Financial Statements**

##### **Opinion**

We have audited the accompanying Special Purpose Consolidated Financial Statements of Spoton Logistics Private Limited (hereinafter referred to as the "Holding Company" or "the Company") and its subsidiary (the Company and its subsidiary together referred to as "the Group"), which comprise the special purpose consolidated balance sheet as at 31 March 2021, and the special purpose consolidated statement of profit and loss (including other comprehensive income), the special purpose consolidated statement of changes in equity and the special purpose consolidated statement of cash flows for the year then ended, and summary of significant accounting policies along with the necessary and related notes (hereinafter referred to as "Special Purpose Consolidated Financial Statements"). The Special Purpose Consolidated Financial Statements have been prepared by the Management of the Company in accordance with the basis of the preparation as set out in Note 2.1 to the Special Purpose Consolidated Financial Statements.

In our opinion, and in the context of overriding effect of the accounting treatment for the amalgamation scheme approved by the National Company Law Tribunal ('NCLT') vis-à-vis the treatment that would have been applicable otherwise as described in note 4 of Special Purpose Consolidated Financial Statements, the accompanying Special Purpose Consolidated Financial Statements of the Group for the year ended 31 March 2021 are prepared, in all material respects, in accordance with the basis of the preparation as set out in Note 2.1 of the Special Purpose Consolidated Financial Statements.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements* section of our report. We are independent of the Group 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 Special Purpose Consolidated Financial Statements, 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 opinion on the Special Purpose Consolidated Financial Statements.



## **INDEPENDENT AUDITORS' REPORT (continued)**

### **To the Board of Directors of Spoton Logistics Private Limited**

#### **Report on the Audit of Special Purpose Consolidated Financial Statements**

##### **Emphasis of Matters**

- a. We draw attention to Note 39 to the Special Purpose Consolidated Financial Statements for the year ended 31 March 2021 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 27 November 2019 with an appointed date of 30 August 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 Special Purpose 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 4 to the Special Purpose Consolidated Financial Statements.

Our conclusion is not modified in respect of this matter.

- b. We draw attention to Note 2.1 to the Special Purpose Consolidated Financial Statements, which describes the basis of preparation in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) after considering the transition date of 1 April 2020. Further, the Special Purpose Consolidated Financial Statements of the Group have been prepared for the purpose of preparation of Proforma financial statements by Delhivery Limited (Issuer Company) which will be included in Initial Public Offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended and hence, these Special Purpose Consolidated Financial Statements do not include certain disclosures which would have otherwise been required for general purpose Consolidated financial statements. These Special Purpose Consolidated Financial Statements omit disclosures such as transition date balance sheet, comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

Our conclusion is not modified in respect of this matter.

##### **Management's Responsibility for the Special Purpose Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation of these Special Purpose Consolidated Financial Statements which have been prepared in accordance with the basis of preparation as set out in Note 2.1 to the Special Purpose Consolidated Financial Statements. The respective Management and Board of Directors are responsible for such internal control as management determines is necessary to enable the preparation of Special Purpose Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

## **INDEPENDENT AUDITORS' REPORT (continued)**

### **To the Board of Directors of Spoton Logistics Private Limited**

#### **Report on the Audit of Special Purpose Consolidated Financial Statements**

##### **Auditor's Responsibilities for the Audit of the Special Purpose Consolidated Financial Statements**

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

Our objectives are to obtain reasonable assurance about whether the Special Purpose Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 Special Purpose 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 Special Purpose 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, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting in preparation of Special Purpose Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the Special Purpose 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We communicate with those charged with governance of the Holding Company and such other entities included in the Special Purpose 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.

**INDEPENDENT AUDITORS' REPORT (continued)**

**To the Board of Directors of Spoton Logistics Private Limited**

**Report on the Audit of Special Purpose Consolidated Financial Statements**

**Basis of Accounting and Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to Note 2.1 to the Special Purpose Financial Consolidated Statements, which describes the basis of accounting. The Special Purpose Consolidated Financial Statements of the Group have been prepared for the purpose of preparation of Proforma financial statements by Delhivery Limited ("the Issuer Company") which will be included in Initial public offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended. As a result, the Special Purpose Consolidated Financial Statements may not be suitable for another purpose. Our report is solely for the use of the Board of Directors of the Company and for the use of current statutory auditors of the Issuer Company and for its inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus of the Issuer Company and should not be distributed to or used by other parties without our prior consent.

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm's Registration No: 116231W/ W-100024

**Vipin Lodha**

*Partner*

Membership number: 076806

ICAI UDIN: 21076806AAAABU3132

Place: Bengaluru

Date: 31 October 2021

**Spoton Logistics Private Limited**  
**Special Purpose Consolidated Balance Sheet**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	Notes	As at 31 March 2021
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3	195.94
Right of use assets	31	924.13
Goodwill	4	807.15
Other intangible assets	4	60.11
Intangible assets under development	5	6.78
Other financial assets	10	133.67
Tax assets (net)	11	273.85
Other assets	12	20.78
<b>Total non-current assets</b>		<b>2,422.41</b>
<b>Current assets</b>		
Financial assets		
Trade receivables	7	1,792.77
Cash and cash equivalents	8	237.27
Other bank balances	9	6.87
Other financial assets	10	492.21
Other assets	12	216.22
<b>Total current assets</b>		<b>2,745.34</b>
<b>Total assets</b>		<b>5,167.75</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	13	198.26
Other equity	14	288.41
<b>Equity attributable to shareholders of the Company</b>		<b>486.67</b>
<b>Total equity</b>		<b>486.67</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	15	1,059.48
Lease liabilities	31	654.78
Other financial liabilities	17	226.06
Provisions	18	75.59
Deferred tax liabilities (net)	6	33.48
<b>Total non-current liabilities</b>		<b>2,049.39</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	15	727.23
Lease liabilities	31	312.82
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	16	16.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	1,356.09
Other financial liabilities	17	159.16
Provisions	18	18.94
Other current liabilities	19	41.43
<b>Total current liabilities</b>		<b>2,631.69</b>
<b>Total liabilities</b>		<b>4,681.08</b>
<b>Total equity and liabilities</b>		<b>5,167.75</b>
Summary of Significant accounting policies	2.4	

The accompanying notes are an integral part of the Special Purpose Consolidated Financial Statements.

As per our report of even date attached:

*For B S R & Associates LLP*  
*Chartered Accountants*  
Firm registration number: 116231W/W-100024

*For and on behalf of the Board of Directors of*  
**Spoton Logistics Private Limited**  
UIN :U63090GJ2011PTC108834

**Vipin Lodha**  
*Partner*  
Membership No. 076806

Place: Bengaluru  
Date: 31 October 2021

**Ajith Pai Mangalore**  
*Director*  
DIN: 07168138

Place: Bengaluru  
Date: 31 October 2021

**Abhik Kumar Mitra**  
*Director*  
DIN: 00337465

Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
*Chief Financial Officer*

Place: Bengaluru  
Date: 31 October 2021

**Pavithra P**  
*Company Secretary*

Place: Bengaluru  
Date: 31 October 2021

**Spoton Logistics Private Limited**  
**Special Purpose Consolidated Statement of Profit and Loss**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	Notes	For the year ended 31 March 2021
Revenue from operations	20	8,035.88
Other income	21	26.89
<b>Total income (I)</b>		<b>8,062.77</b>
<b>Expenses</b>		
Freight, handling and servicing cost	22	5,925.38
Employee benefits expense	23	856.04
Finance costs	24	369.28
Depreciation and amortization expense	25	718.98
Other expenses	26	503.19
<b>Total expenses (II)</b>		<b>8,372.87</b>
<b>Loss before tax (III= I-II)</b>		<b>(310.10)</b>
Tax expense, comprising:		
Current tax		120.13
Deferred tax	6	(156.57)
<b>Total tax expense (IV)</b>		<b>(36.44)</b>
<b>Loss for the year after tax (V= III-IV)</b>		<b>(273.66)</b>
<b>Other comprehensive loss:</b>		
<b>(a) Items that will not be reclassified to profit or loss in subsequent periods:</b>		
(i) Re-measurement gains on defined benefit plans		9.70
(ii) Income tax relating to items that will not be re-classified to profit or loss		(3.39)
<b>Other comprehensive loss for the year</b>		<b>6.31</b>
<b>Total comprehensive loss for the year</b>		<b>(267.35)</b>
<b>Loss for the year</b>		
Attributable to:		
Shareholders of the Holding Company		(267.40)
Non-controlling interests		(6.26)
		<b>(273.66)</b>
<b>Other comprehensive income for the year</b>		
Attributable to:		
Shareholders of the Holding Company		6.31
Non-controlling interests		-
		<b>6.31</b>
<b>Total comprehensive loss for the year</b>		
Attributable to:		
Shareholders of the Holding Company		(261.09)
Non-controlling interests		(6.26)
		<b>(267.35)</b>
<b>Loss per equity share</b>		
- Basic earnings per share (INR)	27	(14.27)
- Diluted earnings per share (INR)	27	(14.27)
Summary of Significant accounting policies	2.4	

The accompanying notes are an integral part of the Special Purpose Consolidated Financial Statements.

As per our report of even date attached:

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of  
**Spoton Logistics Private Limited**  
UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
Partner  
Membership No. 076806

**Ajith Pai Mangalore**  
Director  
DIN: 07168138

**Abhik Mitra**  
Director  
DIN: 00337465

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
Chief Financial Officer

**Pavithra P**  
Company Secretary

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

**Spoton Logistics Private Limited**  
**Special Purpose Consolidated Statement of Cash Flows**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	For the year ended 31 March 2021
<b>Cash flows from operating activities</b>	
<b>Loss before tax</b>	(310.10)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>	
Depreciation of property, plant and equipment	119.90
Amortization of intangible assets (including goodwill)	266.98
Depreciation of right-of-use assets	332.10
Allowance for bad and doubtful debts, net	64.35
Bad debts written off	0.03
Employee stock option expenses	27.93
Rent concession on lease liabilities (refer note 21)	(16.93)
Gain on termination of lease contracts	(0.47)
Interest income on unwinding of discount on security deposits paid	(6.29)
Interest expense	369.28
Interest income	(3.20)
<b>Operating profit</b>	<b>843.58</b>
<b>Net change in:</b>	
Trade receivables	(278.45)
Other financial assets	(286.23)
Other assets	(69.86)
Other liabilities	(2.77)
Financial liabilities	16.16
Provisions	14.47
Trade payables	492.93
<b>Cash generated from operations</b>	<b>729.83</b>
Income taxes paid (net)	(103.91)
<b>Net cash generated from operating activities (A)</b>	<b>625.92</b>
<b>Investing activities</b>	
Purchase of property, plant & equipment (including capital creditors and capital advances)	(123.75)
Interest received	4.22
Maturity of bank deposits (having original maturity of less than 12 months)	78.03
<b>Net cash flows used in investing activities (B)</b>	<b>(41.50)</b>
<b>Financing activities</b>	
Proceeds from issue of equity share capital	21.74
Security premium from issue of equity share capital	378.26
Proceeds from long term borrowings	1,078.66
Repayment of long term borrowings	(1,216.25)
Repayment of short term borrowings	(149.44)
Payment of principal portion of lease liabilities	(295.22)
Payment of interest portion of lease liabilities	(64.46)
Interest paid	(213.73)
<b>Net cash flows used in financing activities (C)</b>	<b>(460.44)</b>

**Spoton Logistics Private Limited**  
**Special Purpose Consolidated Statement of Cash Flows**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	For the year ended 31 March 2021
Net increase in cash and cash equivalents (A+B+C)	123.98
Cash and cash equivalents at the beginning of the year	113.31
<b>Cash and cash equivalents at the end of the year (refer note 8)</b>	<b>237.27</b>

**Change in liabilities arising from financing activities**

Particulars	Opening balance 1 April 2020	Cash flows	Non cash changes	Closing balance 31 March 2021
Borrowings	2,000.93	(287.03)	72.81	1,786.71
Lease liabilities	837.77	(359.69)	489.52	967.60

Summary of Significant accounting policies (refer Note 2.4)

The accompanying notes are an integral part of the Special Purpose Consolidated Financial Statements

As per our report of even date attached :

*For B S R & Associates LLP*  
*Chartered Accountants*  
 Firm registration number: 116231W/W-100024

*For and on behalf of the Board of Directors of*  
**Spoton Logistics Private Limited**  
 UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
*Partner*  
 Membership No. 076806

**Ajith Pai Mangalore**  
*Director*  
 DIN: 07168138

**Abhik Mitra**  
*Director*  
 DIN: 00337465

Place: Bengaluru  
 Date: 31 October 2021

Place: Bengaluru  
 Date: 31 October 2021

Place: Bengaluru  
 Date: 31 October 2021

**Krishna Chandrasekar**  
*Chief Financial Officer*

**Pavithra P**  
*Company Secretary*

Place: Bengaluru  
 Date: 31 October 2021

Place: Bengaluru  
 Date: 31 October 2021

**Spoton Logistics Private Limited**  
**Special Purpose Consolidated Statement of Changes in Equity**  
*(All amount in INR Millions unless otherwise stated)*

**a. Equity share capital**

Particulars	As at 31 March 2021	
	Number	Amount
At the beginning of the year	17,651,645	176.52
Add: Issued during the year	2,173,913	21.74
<b>Outstanding at the end of the year</b>	<b>19,825,558</b>	<b>198.26</b>

**b. Other equity**

Particulars	Securities Premium	Retained earnings	NCI reserves	Employee stock option outstanding account	Total
As at 01 April 2020	951.43	(659.16)	(188.77)	46.05	149.54
Loss for the year	-	(267.39)	-	-	(267.39)
<b>Other comprehensive income</b>					
Re-measurement gain on defined benefit obligation (net of tax)	-	6.31	-	-	6.31
<b>Total other comprehensive income</b>	-	<b>(261.08)</b>	-	-	(261.08)
Premium received during the year on issuance of equity shares (refer to note 14)	378.26	-	-	-	378.26
Employee stock option expenses	-	-	-	27.93	27.93
Loss attributable to NCI holders	-	-	(6.26)	-	(6.26)
<b>As at 31 March 2021</b>	<b>1,329.69</b>	<b>(920.23)</b>	<b>(195.03)</b>	<b>73.97</b>	<b>288.41</b>

Gain of INR 6.31 million on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the year ended 31 March 2021.

Summary of Significant accounting policies (refer Note 2.4)

The accompanying notes are an integral part of the Special Purpose Consolidated Financial Statements.

As per our report of even date attached:

for **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of  
**Spoton Logistics Private Limited**  
UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
Partner  
Membership No. 076806

Place: Bengaluru  
Date: 31 October 2021

**Ajith Pai Mangalore**  
Director  
DIN: 07168138

Place: Bengaluru  
Date: 31 October 2021

**Abhik Mitra**  
Director  
DIN: 00337465

Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
Chief Financial Officer

Place: Bengaluru  
Date: 31 October 2021

**Pavithra P**  
Company Secretary

Place: Bengaluru  
Date: 31 October 2021



## **1. Group overview**

Spoton Logistics Private Limited (“the Holding Company”) was incorporated on 17 November 2011 as Private Limited Company under Companies Act, 1956.

During the year 2011-12, the Holding Company entered into an Asset Transfer agreement dated 9 December 2011 with TNT India Private Limited (“TNT”), where in TNT agreed to sell and transfer identified assets, customer and vendor contracts in relation to domestic road business and identified employees.

During the 2018-19, the Holding Company entered into scheme of arrangement (“the Scheme”) for amalgamation with Vankatesh Pharma Private Limited (“VPPL”). The scheme of arrangement was duly approved by the National Company Law Tribunal of Ahmedabad on 27 November 2019 under provision of the Companies Act 2013, and the certified true copy of the Scheme was filed with the Registrar of Companies.

The Holding Company has a subsidiary, namely Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited), (“the Subsidiary”) which carries on the business of transportation of goods and warehouse management services.

The Holding Company and its subsidiary (collectively referred to as “the Group”) is engaged in the domestic road business i.e. transportation freight through surface transport within the territory of India. The Group has recently entered into Air business i.e. transportation of goods/consignments through Air. On 29 June 2019 the Holding Company has changed its registered office from Bengaluru, Karnataka to Ahmedabad, Gujarat.

Further, subsequent to 31 March 2021, a Share Purchase Agreement dated 29 July 2021, as amended by Amendment Agreement executed on 19 August 2021, was executed amongst, Delhivery Limited (“Acquirer”) and M/s Samara Alternate Investment Fund, M/s Samara Capital Partners Fund II Limited, M/s Virginia Tech Foundation Inc., M/s Xponentia Opportunities Fund-I and Xponentia Fund Patners LLP (pursuant to this transaction, Delivery became the holding company of the Company). The Board of Directors of the Holding Company approved on 24 August 2021 and took on record the transfer of 19,825,558 fully paid-up equity shares of face value Rs. 10 each of the Holding Company, collectively held by the Sellers, free and clear of all encumbrances of any nature. The effective date of acquisition is 24 August 2021. Also, refer to notes 32 and 41.

The Special Purpose Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Holding Company’s Board of Directors on 31 October 2021.

## **2. Basis of preparation, Basis of transition and principles of consolidation**

### **2.1 Basis of preparation**

These Special Purpose Consolidated Financial Statements have been prepared in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) after considering the transition date of 1 April 2020. However, these Special Purpose Consolidated Financial Statements do not include certain disclosures which would have otherwise been required for General Purpose Consolidated Financial Statements. These Special Purpose Consolidated Financial Statements omit disclosures such as transition date balance sheet, comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

## 2. Basis of preparation, Basis of transition and principles of consolidation (continued)

### 2.1 Basis of preparation (continued)

As stated in note 1, the Group has been acquired by Delhivery Limited (“Issuer Company”). Delhivery Limited is in the process of filing the Initial public offering documents with Securities and Exchange Board of India (“SEBI”). The Special Purpose Consolidated Financial Statements of the Group have been prepared for the purpose of preparation of Proforma financial statements by the Issuer Company which will be included in Initial public offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended.

These Special Purpose Consolidated Financial Statements are not the statutory financial statements of the Group. As a result, these Special Purpose Consolidated Financial Statements may not be suitable for any purpose other than those stated above.

#### i. Functional and Presentation currency

The Special Purpose Consolidated Financial Statements are presented in Indian Rupees and all amounts disclosed in the Special Purpose Consolidated Financial Statements and notes have been rounded off to the nearest million (as per the requirement of Schedule III), unless otherwise stated.

#### ii. Basis of measurement

The Special Purpose Consolidated Financial Statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

#### iii. 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:

- a. Expected to be realised or intended to be sold or consumed in normal operating cycle;
- b. Held primarily for the purpose of trading;
- c. Expected to be realised within twelve months after the reporting period; or
- d. 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:

- a. It is expected to be settled in normal operating cycle;
- b. It is held primarily for the purpose of trading;
- c. It is due to be settled within twelve months after the reporting period; or
- d. 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.

## **2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

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.

Refer Note 28 for Significant accounting judgements, estimates and assumptions.

### **2.2 Basis of transition to Ind AS**

The adoption of Ind AS is carried out in accordance with Ind AS 101 on 1 April 2020 being the transition date. In preparing these Special Purpose Consolidated Financial Statements, the Group has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the Special Purpose Consolidated Financial Statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity at the transition date.

The Group's consolidated financial statements up to and for the year ended 31 March 2021 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('Previous GAAP').

As these are the Group's first consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Group is provided in Note 40.

Ind AS 101 allows first-time adopters, certain optional exemptions and mandatory exceptions from the retrospective application of certain requirements under Ind AS. Refer note 40 for exemptions taken by the Group for first time adoption by the Group.

### **2.3 Basis of consolidation**

#### **Subsidiary**

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 Group 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 of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Special Purpose Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.3 Basis of consolidation (continued)**

**Consolidation procedures:**

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its Subsidiary. For this purpose, income and expenses of the Subsidiary are based on the amounts of the assets and liabilities recognised in the Special Purpose Consolidated Financial Statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the Holding Company's investment in the Subsidiary and the Holding Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (iii) Eliminate in full intracompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group [profits or losses resulting from intracompany transactions that are recognised in assets (if any) are eliminated in full]. Intracompany losses may indicate an impairment that requires recognition in the Special Purpose Consolidated Financial Statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intracompany transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of the Subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-company 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:

- i. Derecognises the assets (including goodwill) and liabilities of the Subsidiary;
- ii. Derecognises the carrying amount of any non-controlling interests;
- iii. Derecognises the cumulative translation differences recorded in equity;
- iv. Recognises the fair value of the consideration received;
- v. Recognises the fair value of any investment retained;
- vi. Recognises any surplus or deficit in profit or loss; and
- vii. Reclassifies the Holding Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The Subsidiary considered in the Special Purpose Consolidated Financial Statements is listed below:

<b>Name of the Company</b>	<b>Country of incorporation</b>	<b>Relationship</b>	<b>Percentage of holding</b>
Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited)	India	Subsidiary (refer note below)	65%

**Note:** Acquired w.e.f. 1 December 2019.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies**

**i. Foreign currency 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 Group uses an average rate if the average approximates the actual rate 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 balance sheet date.

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).

**ii. Property, Plant and Equipment (PPE)**

**a. Transition to Ind AS**

Ind AS 101 permits an entity to elect to measure an item of property, plant and equipment at the date of transition to Ind AS at its carrying value and use that carrying value as its deemed cost at that date. Accordingly, the Group has elected to use the carrying value of all the items of property, plant and equipment on the date of transition and designate the same as deemed cost on the date of transition.

**b. Recognition and Measurement**

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and nonrefundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Consolidated statement profit or loss.

**c. Subsequent expenditure**

Subsequent expenditure is capitalised only if its probable that the future economic benefits associated with the expenditure will flow to the Group.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**ii. Property, Plant and Equipment (PPE) (continued)**

**d. Depreciation**

Depreciation on all property plant and equipment are provided on a written-down value method based on the estimated useful life of the asset, which is as follows:

<b>Property, plant and equipment</b>	<b>Useful lives estimated by the management</b>	<b>Useful lives as per Schedule II</b>
Buildings	30 years	30 years
Furniture and fittings	10 years	10 years
Office Equipments	5 years	5 years
Electrical Installations and Equipments	10 years	10 years
Computers	3 years	3 years
Plant and Machinery	15 years	15 years
Vehicles	8 years	8 and 10 years

Leasehold improvements are amortised over the lease term or useful lives of assets, whichever is less.

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 period end and adjusted prospectively, if appropriate.

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The depreciation method applied to an asset shall be reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method shall be changed to reflect the changed pattern. Such a change shall be accounted for as a change in an accounting estimate in accordance with Ind AS 8.

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.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**iii. Intangible assets**

Ind AS 101 permits an entity to elect to measure an item of intangible assets at the date of transition to Ind AS at its carrying value and use that carrying value as its deemed cost at that date. Accordingly, the Group has elected to use the carrying value of all the items of intangible assets on the date of transition and designate the same as deemed cost on the date of transition.

Intangible assets (mainly includes softwares) 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 are to be depreciated 5 years as its useful life.

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 or loss when the asset is derecognised.

**iv. Business Combinations and Goodwill**

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2020. As such, Indian GAAP balances relating to business combinations entered into before that date, including Goodwill, have been carried forward.

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.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions (measured initially at their fair values at the acquisition date). The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**iv. Business Combinations and Goodwill (continued)**

- 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.

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- 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's 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 Group'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 profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent balance sheet 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 profit or loss or other comprehensive income, as appropriate.



**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**v. Non-controlling interest (Call and Put option)**

The NCI equity shareholders have NCI's right to sell (put option) and the Holding Company also has the right to purchase (call option) the NCI'S shares which is subject to certain terms and conditions specified in the share subscription agreement. The Call Option and Put Option are collectively referred as the "Options" and met the criteria to be classified as liability in the special purpose consolidated financial statements. NCI continues to receive an allocation of profit or loss.

**vi. Lease**

**Group as a lessee**

The Group accounted for Ind AS 116 using the modified retrospective approach with the cumulative effect recognised at the date of initial application i.e 1 April 2020. 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 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 lease term.

**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.

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 and lease of low value assets**

The Group has elected not to recognise right of-use assets and lease liabilities for leases of low value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**vii. Revenue from contracts with customers**

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 customer. A 5-step approach is used to recognise revenue as below:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

**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.

**Transportation services**

Revenue is recognized for these performance obligations as they are satisfied over the contract term, which generally represents the transit period including the incomplete trips at the balance sheet date. The transit period can vary based upon the method of transport, generally a couple days for over the road, rail, and air transportation..

**Other allied services**

Revenue from renting of warehouse and end to end 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, in accordance with the amount fixed as per the agreements.

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.

Revenue from sale of unclaimed goods are recognised as and when the unclaimed goods are sold as per the Group`s policy.

**Contract balances**

The policy for Contract balances i.e. contract assets, trade receivables and contract liabilities is as follows:

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**vii. Revenue from contracts with customers (continued)**

**Contract assets**

A contract asset is the right to receive consideration in exchange for services already transferred to the customer (which consist of unbilled receivable). 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.

**viii. Other income**

**Dividend**

Dividend income is recognized when the Group's right to receive dividend is established by the balance sheet 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.

**ix. Employee benefits**

**i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee Provident Fund and Employee State Insurance to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the Consolidated Statement of profit and loss during the period in which the employee renders the related service.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**ix. Employee benefits (continued)**

**iii. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

**Gratuity**

The Group's gratuity benefit scheme are defined benefit plans. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method as at the balance sheet date. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**ix. Employee benefits (continued)**

**iv. Other employee benefits**

**Compensated absences**

The employees can carry-forward a portion of the unutilized accumulating compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absence as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. The Group recognizes accumulated compensated absences based on independent actuary using the projected unit credit method as at the balance sheet date. The Group recognizes actuarial gains and losses immediately in the Consolidated statement of profit and loss. The Group, in case of non accumulating compensated absences are recognized in the period in which the absences occur.

**v. Share based payment transactions**

**Equity-Settled transactions**

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 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 balance sheet 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 consolidated statement of profit and loss expense or credit 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.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**ix. Employee benefits (continued)**

**v. Share based payment transactions (continued)**

**Equity-Settled transactions**

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 Group or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

**x. Taxes**

**Current 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 balance sheet date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or 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 periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and its intended to realise the assets and settle the liabilities on a net basis or simultaneously.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized, the said asset is created by way of a credit to the Consolidated Statement of profit and loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of the MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income-tax during the specified period.

## 2. Basis of preparation, Basis of transition and principles of consolidation (continued)

### 2.4. Summary of significant accounting policies (continued)

#### x. Taxes (continued)

##### 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 balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- a. 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 or loss,
- b. In respect of taxable temporary differences associated with investments in subsidiary, 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:

- a. 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 or loss,
- b. In respect of deductible temporary differences associated with investments in subsidiary, 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 balance sheet 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 balance sheet 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 balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or 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.

## **2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

### **2.4. Summary of significant accounting policies (continued)**

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.

#### **xi. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or 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.

#### **xii. 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 Liability**

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.

#### **xiii. Measurement of fair value**

The Group measures 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:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability.

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.



## **2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

### **2.4. Summary of significant accounting policies (continued)**

#### **xiii. Measurement of fair value (continued)**

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.

The Group has fair valued the following instruments in the special purpose consolidated financial statements –

- a. Non-controlling interest (classified as liability due to put option with the other party); and
- b. 13% Debentures having prepayment options with both the parties under the agreement, post year end pursuant to the terms of the agreement, the Group exercised its option and redeemed the debentures along with premium as per mutual agreement between the parties and same has been fair valued as per effective interest rate accounting.

#### **Fair value hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the Special Purpose 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:

- a. Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- b. Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- c. 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 Special Purpose 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.

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 balance sheet date, 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 are analysed. 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.

## 2 Basis of preparation, Basis of transition and principles of consolidation (continued)

### 2.4. Summary of significant accounting policies (continued)

#### xiii. 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.

##### A. Financial assets

###### (i) 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 or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. 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.

The Group has 13% debentures outstanding which contains prepayment options which are exercisable upon certain events and post year end as a result of change in control the debentures were repaid. Also, for details on change in control refer section on “group overview”. The embedded derivative feature embedded in the debenture contract doesn’t meet the criteria for separation from the host contract and hence not been separated.

###### (ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

1. Financial assets carried at amortised cost; or
2. Financial assets at fair value through profit or loss (FVTPL).

###### (iii) Financial assets at amortised cost

A ‘financial asset’ is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest 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 or loss. Financial assets are not reclassified subsequently to their initial recognition, except if and if in the period the Group changes its business model for managing financial assets

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**xiv. Financial instruments (continued)**

**(iv) 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.

**(v) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (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.

## 2 Basis of preparation, Basis of transition and principles of consolidation (continued)

### 2.4. Summary of significant accounting policies (continued)

#### xiv. Financial instruments (continued)

##### 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 balance sheet 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 Group expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group 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 Group 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 balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In case any balance is disputed by the customer then it will be reviewed separately for creating the provision and amount up to 100% of the balance may be provided on the basis of nature of dispute. Any disputed balance which is considered separately will be excluded from the normal ageing bucket for making the provision.

**2. Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**xiv. Financial instruments (continued)**

**(vi) Impairment of financial assets (continued)**

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:

**A. Financial assets**

- 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.

**B. Financial liabilities**

**(i) Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or 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 debentures, trade and other payables, loans and borrowings including bank overdrafts.

**(ii) Subsequent measurement**

The measurement of financial liabilities depends on their classification, as described below:

- i. **Financial liabilities at fair value through profit or loss** - Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as 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.

## 2. Basis of preparation, Basis of transition and principles of consolidation (continued)

### 2.4. Summary of significant accounting policies (continued)

#### xiv. Financial instruments (continued)

Financial liabilities designated upon initial recognition at fair value through profit or 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/ loss are not subsequently transferred to consolidated statement of profit or loss. 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 or loss.

ii. **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 consolidated statement of profit and loss. This category generally applies to borrowings.

#### (iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

#### (iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

#### xv. Impairment of non-financial assets

The Group assesses, at each balance sheet 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.

## 2. Basis of preparation, Basis of transition and principles of consolidation (continued)

### 2.4. Summary of significant accounting policies (continued)

#### xv. Impairment of non-financial assets (continued)

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 balance sheet 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 or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

#### xvi. 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 the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the cost of asset.

#### xvii. 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 with an original maturity of three months or less, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

#### xviii. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The special purpose consolidated financial statements are adjusted for such events before authorisation for issue.

**Spoton Logistics Private Limited**  
**Notes to Special Purpose Consolidated Financial Statements**

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the balance sheet date are not accounted but disclosed.

**2 Basis of preparation, Basis of transition and principles of consolidation (continued)**

**2.4. Summary of significant accounting policies (continued)**

**xix. 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.



**Spoton Logistics Private Limited**  
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**3. Property, plant and equipment**

Particulars	Leasehold improvements	Buildings	Furniture & fittings	Office Equipments	Electrical installations and equipments	Computers	Plant & machinery	Motor vehicles	Total
<b>At deemed cost</b>									
<b>Gross block</b>									
<b>At 1 April 2020</b>	<b>89.24</b>	<b>2.76</b>	<b>25.96</b>	<b>86.57</b>	<b>16.41</b>	<b>152.72</b>	<b>53.24</b>	<b>3.71</b>	<b>430.61</b>
Additions	26.95	-	9.85	12.72	-	34.89	27.61	0.07	112.09
Disposals	-	-	-	-	-	(0.04)	-	-	(0.04)
<b>At 31 March 2021</b>	<b>116.19</b>	<b>2.76</b>	<b>35.81</b>	<b>99.29</b>	<b>16.41</b>	<b>187.57</b>	<b>80.85</b>	<b>3.78</b>	<b>542.66</b>
<b>Accumulated depreciation</b>									
<b>At 1 April 2020</b>	<b>61.44</b>	<b>0.22</b>	<b>10.24</b>	<b>45.80</b>	<b>4.37</b>	<b>95.94</b>	<b>7.43</b>	<b>1.42</b>	<b>226.87</b>
Charge for the year (refer note 25)	10.11	0.93	8.65	13.91	12.05	42.55	30.37	1.33	119.90
Disposals	-	-	-	-	-	(0.04)	-	-	(0.04)
<b>At 31 March 2021</b>	<b>71.55</b>	<b>1.15</b>	<b>18.89</b>	<b>59.71</b>	<b>16.41</b>	<b>138.45</b>	<b>37.80</b>	<b>2.75</b>	<b>346.73</b>
<b>Net block</b>									
<b>At 31 March 2021</b>	<b>44.64</b>	<b>1.61</b>	<b>16.92</b>	<b>39.58</b>	<b>-</b>	<b>49.12</b>	<b>43.05</b>	<b>1.02</b>	<b>195.94</b>

With effect from 1 April 2020, the Holding Company has revised its accounting policy with respect to depreciation method from "Straight Line method" to "Written Down Value" prospectively, at the rates prescribed in part C of Schedule II of the Companies Act, 2013. The management believes that the change will result in more appropriate presentation of the Group's Special Purpose Consolidated Financial Statements. As per Ind AS - 16: Property, Plant and Equipment such change in method of depreciation should be accounted for as a change in accounting estimate in accordance with Ind AS - 8: Accounting Policies, changes in accounting estimates and errors. Accordingly, the Holding Company accounted for change in method of depreciation prospectively. Had the Holding Company continued with the Straight Line Method, the depreciation charge to the current year's Special Purpose Consolidated Statement of profit and loss would be INR 76.14 million instead of the currently charged depreciation of INR 119.90 million.

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**4. Intangible assets and Goodwill**

Particulars	Computer Software	Goodwill	Total
<b>At deemed cost</b>			
<b>Gross block</b>			
At 1 April 2020	154.33	1,059.96	1,214.29
Additions	6.30	-	6.30
Transferred to intangible assets	10.36	-	10.36
<b>At 31 March 2021</b>	<b>171.00</b>	<b>1,059.96</b>	<b>1,230.95</b>
<b>Accumulated amortisation</b>			
At 1 April 2020	96.72	-	96.72
Charge for the year (refer note 25)	14.17	252.81	266.98
<b>At 31 March 2021</b>	<b>110.88</b>	<b>252.81</b>	<b>363.69</b>
<b>Net block</b>			
At 31 March 2021	60.11	807.15	867.26

**Goodwill**

The carrying amount of goodwill has been allocated as follows:-

	As at	As at
	31 March 2021	1 April 2020
Goodwill on Business combination* (refer to note 39)	628.20	881.01
Goodwill -Spoton Supply chain Logistics Private Limited**	178.95	178.95
	<b>807.15</b>	<b>1,059.96</b>

\*The Group has Goodwill arising on account of certain business combinations aggregating to carrying value of INR 881.01 million as on 1 April 2020. In line with Appendix C to Ind AS 101, the Group has chosen not to apply Ind AS 103 retrospectively to past business combinations i.e (business combination that occurred before the date of transition to Ind AS) and carry the Goodwill in the opening Ind AS Balance Sheet in accordance with the transition date balance as per previous GAAP. Accordingly, the carrying value of Rs 881.01 million is based on the carrying value as on 1 April 2020 as per Indian GAAP.

Of the above INR 881.01 million, Goodwill with carrying value of INR 863 million as on 1 April 2020 is related to Scheme of Arrangement between Vankatesh Pharma Private Limited and the Holding Company which is explained in note 39. Based on the accounting treatment specified in the National Company Law Tribunal order, the Holding Company is amortising the goodwill over a period of 5 years and accordingly, the amortization charge for the year ended 31 March 2021 is INR 252.81 million.

Even though, as per Ind AS 103: Business Combinations, Goodwill arising on business combinations need to be carried at cost less impairment (under Ind AS 36: Impairment of assets), if any, the above treatment of amortising Goodwill has been followed by the Group as mandated by the concerned Scheme approved by the relevant authorities.

\*\*The goodwill of Rs 178.95 million is related to Spoton Supply Chain Solutions Private Limited which is a subsidiary of Spoton Logistics Private Limited.

The Group performs test for goodwill impairment at least annually on 31 March, 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. The recoverable amount of the assets of the Group is determined based on a value in use calculation which uses cash flow projections covering nine year period. When determining the fair value, the Group's management has considered EBITDA margin of 6.4% to 13.9%, terminal growth rate of 6% and weighted average cost of capital of 16.5%, 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.

**5. Intangible Asset under Development (IAUD)**

Particulars	Intangible assets under development
<b>At deemed cost</b>	
<b>Gross block</b>	
At 1 April 2020	7.91
Additions	9.23
Transferred to intangible assets	(10.36)
<b>At 31 March 2021</b>	<b>6.78</b>
<b>Accumulated amortisation</b>	
At 1 April 2020	-
Charge for the year	-
<b>At 31 March 2021</b>	<b>-</b>
<b>Net block</b>	
At 31 March 2021	6.78

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**Intangible Asset under Development (IAUD) (continued)**

**Intangible Asset under Development (IAUD) ageing schedule**

**As at 31 March 2021**

Particulars	Amount in IADU for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6.78	-	-	-	<b>6.78</b>
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>6.78</b>	-	-	-	<b>6.78</b>

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**6. Deferred tax**

**Amount recognised in Special Purpose Consolidated Statement of profit and loss (A):**

	<b>For the year ended 31 March 2021</b>
<b>Current income tax:</b>	
Current tax	120.13
<b>Deferred tax:</b>	
Relating to origination and reversal of temporary differences	(156.57)
<b>Tax expense reported in Special Purpose Consolidated Statement of Profit and Loss</b>	<b>(36.44)</b>

**Income tax recognised in Other Comprehensive Income ( B ) :**

Deferred tax relating to items in OCI in the year:

	<b>For the year ended 31 March 2021</b>
Deferred tax expense on defined benefit plans	(3.39)
<b>Income tax credit to OCI</b>	<b>(3.39)</b>

**Reconciliation of effective tax rate ( C ) :**

	<b>For the year ended 31 March 2021</b>
<b>Accounting loss before income tax</b>	<b>(310.10)</b>
At India's statutory income tax rate of 34.944%	(108.35)
<b>Non-deductible expenses for tax purposes:</b>	
Difference due to different tax rate in subsidiary	2.66
MAT credit	14.45
Disallowance of Interest on borrowing from Piramel Capital & Housing Finance Limited	47.90
Over time revenue recognition adjustment	(5.71)
Other	12.61
<b>Total</b>	<b>(36.44)</b>
<b>Income tax expense as per Special Purpose Consolidated statement of profit and loss</b>	<b>(36.44)</b>

**Spoton Logistics Private Limited**  
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**6. Deferred tax (continued)**

**Recognised deferred tax assets and liabilities ( D ):**

**Deferred tax relates to the following items:**

	Special Purpose Consolidated Balance sheet		Recognised in OCI	Recognised in Special Purpose Consolidated Statement of Profit and Loss
	As at 31 March 2021	As at 01 April 2020	For the year ended 31 March 2021	For the year ended 31 March 2021
<b>Deferred tax asset arising on account of :</b>				
Effect of gratuity, compensated absences and bonus	32.64	37.51	3.39	1.48
Effect of provision for doubtful debts	48.75	26.55	-	(22.20)
Effect of depreciation on property, plant and equipment	22.76	5.24	-	(17.52)
Effect of interest on borrowings	25.44	-	-	(25.44)
Effect of interest on leases	27.81	21.00	-	(6.81)
Effect of MAT credit	-	14.45	-	14.45
Effect of employee stock option plan	25.31	16.09	-	(9.22)
Effect of discounting of security deposit	3.33	0.36	-	(2.97)
			-	-
<b>Deferred tax liabilities arising on account of :</b>				
Effect of Goodwill	(219.52)	(307.86)	-	(88.34)
	<b>(33.48)</b>	<b>(186.66)</b>	<b>3.39</b>	<b>(156.57)</b>

**Reflected in the Special Purpose Consolidated  
Balance Sheet as follows:**

	As at 31 March 31 2021	As at 01 April 2020
Deferred tax assets	186.04	121.20
Deferred tax liabilities	(219.52)	(307.86)
<b>Deferred tax liabilities (net)</b>	<b>(33.48)</b>	<b>(186.66)</b>

**Reconciliation of deferred tax liabilities (net):**

	As at 31 March 2021
<b>Opening balance</b>	<b>(186.66)</b>
Reversal during the year recognised in profit or loss	156.57
Tax expense during the year recognised in OCI	(3.39)
<b>Closing balance of deferred tax liabilities (net)</b>	<b>(33.48)</b>

**Amendment related to Goodwill under income tax act**

The Finance Act, 2021 has introduced an amendment to Section 32 of Income tax Act 1961, whereby goodwill of a business will not be considered as a depreciable asset and depreciation on goodwill will not be allowed as deductible expenditure effective 1 April 2020.

In accordance with the requirements of Income taxes, the Holding Company has recognised one time tax expense amounting to INR 251.91 Millions in retained earnings on 1 April 2020 as the outcome on the difference between Goodwill as per books of accounts and its updated tax base of NIL which resulted from the aforementioned amendment. This deferred tax liability is not expected to be a cash outflow in the future and its reversal is deemed unlikely as the value of its associated goodwill is expected by value in use.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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**7. Trade receivables**

<b>Particulars</b>	<b>As at 31 March 2021</b>
Trade receivables	1,792.77
<b>Total trade receivables</b>	<b>1,792.77</b>
<b>Break-up for above:</b>	
	<b>As at 31 March 2021</b>
<b>Trade receivables</b>	
Unsecured - considered good	1,792.77
Trade receivables – credit impaired	140.88
	<b>1,933.65</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>	
Trade receivables- credit impaired	(140.88)
	<b>(140.88)</b>
<b>Total Trade receivables</b>	<b>1,792.77</b>

The allowance for doubtful accounts as of 31 March 2021 and changes in the allowance for doubtful accounts during the year ended as of that date were as follows:

<b>Particulars</b>	<b>As at 31 March 2021</b>
<b>Opening balance</b>	76.53
Add: Provision of trade receivables-credit impaired	64.35
Less: Write offs, net of recoveries	-
<b>Closing balance</b>	<b>140.88</b>

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

**Spoton Logistics Private Limited**  
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**7. Trade receivables (continued)**

The Company uses a provision matrix to determine impairment loss 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 forward-looking estimates are analysed. The Group estimates the following matrix at the reporting date:

<b>Particulars</b>	<b>0-3 months</b>	<b>3-6 months</b>	<b>6-9 months</b>	<b>9-12 months</b>	<b>More than 12 months</b>
Amount	1,675	126	55	14	64
Default rate	1%	9%	37%	95%	100%

**Spoton Logistics Private Limited**  
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**8. Cash and cash equivalents**

Particulars	As at 31 March 2021
<i>Balances with banks:</i>	
– In current accounts	236.48
– Cash on hand	0.79
	<b>237.27</b>

**9. Other bank balances**

Particulars	As at 31 March 2021
<i>Balances with banks:</i>	
Fixed deposits with original maturity of less than 12 months	6.87
Fixed deposits with original maturity of more than 12 months	0.21
	7.08
Amount disclosed as "Other financial assets" (refer note 10)	(0.21)
	<b>6.87</b>

**10. Other financial assets**

Particulars	As at 31 March 2021
<b>Unsecured, considered good</b>	
Contract Assets	404.67
Security deposits	212.40
Deposits with original maturity for more than 12 months*	0.21
Advances to employees	1.84
Interest accrued on fixed deposits	0.40
Other receivables	6.37
	<b>625.89</b>
<b>Non-current</b>	
<b>Unsecured, considered good</b>	
Security deposits	133.46
Deposits with original maturity for more than 12 months*	0.21
<b>Total non-current financial assets</b>	<b>133.67</b>
<b>Current</b>	
<b>Unsecured, considered good</b>	
Contract Assets	404.67
Interest accrued on fixed deposits	0.40
Advances to employees	1.84
Security deposits	78.93
Other receivables	6.37
<b>Total current financial assets</b>	<b>492.21</b>

\*Refers to margin money deposits against bank guarantee issued by banks, which are lien marked with various government authorities. These deposits cannot be withdrawn by the Group within 12 months from the balance sheet date.



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**11. Tax assets (net)**

Particulars	As at 31 March 2021
Advance tax, net of provision	273.85
	<u>273.85</u>

**12. Other assets**

Particulars	As at 31 March 2021
<b>Unsecured, considered good, unless stated otherwise</b>	
Capital advances	5.49
Prepaid expenses	165.56
Balance with statutory/government authorities	37.81
Advances to suppliers	28.14
	<u>237.00</u>
<b>Breakup of above:</b>	
<b>Non-Current</b>	
Capital advances	5.49
Prepaid expenses	0.99
Balance with government authorities	14.30
<b>Total non-current</b>	<u>20.78</u>
<b>Current</b>	
Advances to suppliers	28.14
Prepaid expenses	164.57
Balance with statutory/government authorities	23.51
<b>Total current</b>	<u>216.22</u>

**Spoton Logistics Private Limited**  
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**13. Equity Share Capital**

**Authorised Share Capital**

Particulars	As at 31 March 2021
188,000,000 equity shares of INR 10 each*	1,880.00
	<b>1,880.00</b>

\* The authorised share capital of the Holding Company has been increased to Rs. 1,880,000,000 as per the Scheme of Arrangement.

**Issued, subscribed and fully paid-up equity shares**

19,825,558 equity shares of Rs. 10 each, fully paid-up	198.26
	<b>198.26</b>

**Terms and rights attached to the equity shares**

The Holding Company has only one class of shares referred to as equity shares having par value of Rs 10. All equity shares carry similar voting rights of 1:1 and similar dividend rights. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Holding Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting except interim dividend where approval of the Board of Directors is considered sufficient.

**Reconciliation of shares outstanding at the beginning and end of the reporting year**

Particulars	Number of shares	As at 31 March 2021
At the beginning of the year	17,651,645	176.52
Number of shares issued during the year *	2,173,913	21.74
Number and value of shares outstanding at the end of the year	<b>19,825,558</b>	<b>198.26</b>

\* Pursuant to the provisions of Section 62 (1)(a) of the Companies Act, 2013, the Company issued 2,173,913 equity shares of the face value Rs. 10 fully paid up, at the premium of Rs. 174 each in proportion of the existing shareholding. The shares were issued on 1 October 2020 to certain existing shareholders by way of a rights issue for an issue price of Rs. 184 per share.

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**13. Equity Share Capital (continued)**

**List of persons holding more than 5% shares in the Company and shares held by the Holding Company of Spoton Logistics Private Limited**

Particulars	As at 31 March 2021	
<b>Name of the shareholders</b>	<b>No. of shares</b>	<b>% holding</b>
Samara Alternate Investment Fund	8,202,207	41.37%
Samara Capital Partners Fund II Limited	6,064,223	30.59%
Xponentia Opportunities Fund – I	3,485,874	17.58%
Xponentia Fund Partners LLP	1,470,515	7.42%

Note: Vankatesh Pharma Private Limited was the Holding Company up to 30 August 2018. Pursuant to the Scheme of Arrangement, the equity shares held by Vankatesh Pharma Private Limited in the Holding Company were cancelled and the Holding Company issued and allotted fully paid up equity shares of equal number to the equity shareholders of the Vankatesh Pharma Private Limited, whose name appeared in the Register of Members as on the effective date. Also refer to note 39.

There was no equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Refer note 30 for terms and disclosure in relation to employee stock option plan.

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**14. Other equity**

Particulars	As at 31 March 2021
<b>Securities Premium</b>	
Balance at the beginning of the year	951.43
Add: Premium received during the year on issuance of equity shares	378.26
Balance at the end of the year	<u><u>1,329.69</u></u>
<b>Retained earnings</b>	
Balance at the beginning of the year	(659.16)
Add: Loss for the year	(267.39)
Add: Remeasurement gains on defined benefit obligation	6.31
Balance at the end of the year	<u><u>(920.23)</u></u>
<b>Employee stock option outstanding account</b>	
Balance at the beginning of the year	46.05
Add: Employee stock option expenses during the year	27.93
Balance at the end of the year	<u><u>73.98</u></u>
<b>NCI reserves</b>	
Balance at the beginning of the year	(188.77)
Add: Change in NCI put liability	(6.26)
Balance at the end of the year	<u><u>(195.03)</u></u>
<b>Total Reserve and Surplus</b>	288.41

**Nature and purpose of Reserves**

**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.

**Employee stock option outstanding account**

The Group has two share option schemes under which options to subscribe for the Group's shares have been granted to certain executives and senior employees.

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 30 for further details of these plans.

**Retained earnings**

Retained earnings are the profits/(loss) that the Group has earned/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 the 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.

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**15. Borrowings**

Particulars	As at 31 March 2021
<b>Secured</b>	
Term loan from:	
- Banks (refer note ii below)	128.66
Loan repayable on demand from banks	
- Cash credit	25.22
- Working capital loans	610.00
<b>Unsecured</b>	
Non convertible Debentures (refer note i below)	1,022.81
From banks	
- Credit cards/ Cash credit	0.02
	<u>1,786.71</u>
<b>Breakup of the above:</b>	
<b>Long term borrowings</b>	
Non convertible Debentures (refer note i below)	1,022.81
Term loan from:	
- Banks	40.00
Less: Current maturities of long-term debt	(3.33)
<b>Total long term borrowings</b>	<u>1,059.48</u>
<b>Short term borrowings</b>	
Term loan from:	
- Banks	88.66
Loan repayable on demand from banks (refer note vi below)	
- Cash credit	25.22
- Working capital loans	610.00
- Credit cards/ Cash credit	0.02
	<u>723.90</u>
Add: Current maturities of long-term debt (refer above)	3.33
	<u>727.23</u>

**Notes:**

**(i) Terms of repayment of Senior, Secured, Unrated, Unlisted, Non-Convertible Debentures ("NCDs") along with rate of interest on loan and nature of security**

The Company issued, subscribed and allotted 950 (previous year: Nil) 13% non-convertible debentures of Rs. 1,000,000 each on a private placement basis. The NCDs redemption is on quarterly basis after the principal moratorium period of 30 months from the date of first disbursement. The repayment schedule covers 1st year: 0%, 2nd year: 0%, 3rd year: 10%, 4th year: 30%, 5th year: 40% and 6th year: 20%. The coupon rate is 13% p.a compounded monthly payable quarterly.

The facility is secured by:

- a) 97% share pledge of the Issuer.
- b) Non-Disposal Undertaking over 3% of the Issuer shares held by Virginia Tech Foundation along with a suitable Drag Along Rights.
- c) Non Disposal Undertaking over 31% shares of the Issuer along with suitable Drag Along Rights to the Investor as Interim Security until the creation of pledge over these shares.
- d) Non-Disposal Undertaking ("NDU") on Issuer's entire shareholding at all points of time during this transaction Tenor (65% currently) in Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited).
- e) First pari-passu charge on tangible fixed assets (present and future) of the Issuer.
- f) Second charge on the current assets (present and future) of the Issuer.
- g) Charge on the Debt Service Reserve Account ("DSRA")

Also refer to note 41 (b).

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**15. Borrowings (continued)**

**(ii) Terms of repayment of secured loan from banks along with rate of interest on loan and nature of security**

**1) HDFC Bank:**

Working Capital term loan amounts to Rs. 88.66 million was sanctioned to the Holding Company, 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 Rs.1.85 million each after moratorium period of 12 months from the date of disbursement. The repayment of loan will begin from 07 March 2021. 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 due to non-compliance of the bank covenants.

**2) Axis Bank:**

Term loan amounting to Rs. 40 million disclosed under Non 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 47 equal monthly installment of Rs.8.33 million each after moratorium period of 12 months from the date of disbursement and the last installment is Rs. 8.33 million. The repayment of loan will begin 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 Holding Company, both present and future.

**(iii) Terms of repayment of secured term loan from others along with rate of interest rate and nature of security.**

**Piramal Capital & Housing Finance Limited:**

The term loan has been repaid in full during the year 2020-21. The interest rate is Piramal PLR minus spread (current year interest rate range 13.65% - 14.65% p.a). The said loan is secured by first charge on all the present fixed assets and movable assets and second charge on present and future receivables and future fixed and movable assets.

**(iv) The Holding Company's bank facilities have the following covenants:**

Covenants	Lender	Financial year 2020-21
i) Adjusted total net worth	HDFC Bank	> 800 million*
ii) Total liabilities/Total Net worth		< 3x
iii) Interest coverage ratio		> 5x
iv) Total Debt/EBITDA	Axis Bank	< or equal to 3.0x
v) Tangible net worth		Positive

The financial covenants mentioned in (ii) and (iii) above have not been complied with for financial year 2021. 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 Special Purpose Consolidated Financial Statements have been approved, the working capital term loan from HDFC bank has been classified as current borrowings.

\* Adjusted total net worth criteria complied with for the financial year 2020-21.

**(v) The Subsidiary Company's bank facilities with HDFC Bank have the following covenants:**

Covenants	Financial year 2020-21
i) Adjusted total net worth	> 91 million
ii) Total liabilities/Total Net worth	< =1.6x

Short term borrowings from banks are secured by:

- Charge on present and future current assets and movable fixed assets of the Subsidiary.
- Letter of comfort by the Holding Company.

The financial covenants mentioned in (i) and (ii) above have not been complied with for the financial year 2021. However in view of the ongoing relationship with the lending banks, the Group's management believes that this non-compliance will not result in levy of penalty on the Subsidiary.

**(vi) Terms of secured short term borrowings from banks:**

Cash credit and Working capital demand loans carry interest ranging between 7.60% to 9.65% per annum computed on a monthly basis on the actual amount utilised, and are repayable on demand.

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**16. Trade payables**

<b>Particulars</b>	<b>As at 31 March 2021</b>
Total outstanding dues of micro enterprises and small enterprises (refer note 34)*	16.02
Total outstanding dues of creditors other than micro enterprises and small enterprises	<u>1,356.09</u>
	<u><u>1,372.11</u></u>

Trade payables are non-interest bearing and are normally settled on 0-60 days terms.

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**17. Other financial liabilities**

Particulars	As at 31 March 2021
Security deposits	16.51
Capital creditors	10.80
Interest accrued but not due on borrowings	22.69
NCI liability	209.55
Payable to employees	74.82
Other payables	48.73
Payables to Directors*	2.12
<b>Total</b>	<b>385.22</b>

**Breakup of above:**

**Non- Current**

NCI liability	209.55
Security deposits	16.51
<b>Total</b>	<b>226.06</b>

**Current**

Capital creditors	10.80
Interest accrued but not due on borrowings	22.69
Payable to employees	74.82
Other payables	48.73
Payables to Directors*	2.12
	<b>159.16</b>

\* Refer to related party note 32

**18. Provision for employee benefits**

Particulars	As at 31 March 2021
Provisions for gratuity	76.37
Provisions for compensated absences	18.16
	<b>94.53</b>
<b>Breakup of above-</b>	
<b>Non-current</b>	
Provisions for gratuity	62.12
Provisions for compensated absences	13.47
	<b>75.59</b>
<b>Current</b>	
Provisions for gratuity	14.25
Provisions for compensated absences	4.69
	<b>18.94</b>

**19. Other current liabilities**

Particulars	As at 31 March 2021
Statutory liabilities	41.43
	<b>41.43</b>



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**20. Revenue from operations**

Particulars	For the year ended 31 March 2021
<b>Sale of services</b>	
Revenue from freight	7,950.72
Revenue from warehouse management services	82.28
	<b>8,033.00</b>
<b>Other Operating Income</b>	
Income from sale of unclaimed items	2.88
	<b>8,035.88</b>

In the following table, revenue from contract with customers disaggregated by primary geographical market :

**(i) Revenue from contract with customers**

Particulars	For the year ended 31 March 2021
- India	8,033
- Rest of the world	-
<b>Total revenue from operations</b>	<b>8,033</b>

**(ii) Disaggregation by timing of revenue recognition**

Particulars	For the year ended 31 March 2021
Services rendered over time	7,950.72
Services rendered point in time	82.28
<b>Total</b>	<b>8,033</b>

**(iii) Contract balances**

The following table provides information about trade receivables and contract assets from customers :

Particulars	For the year ended 31 March 2021
Trade Receivables (Unconditional right to consideration)	1,792.77
Contract assets (refer note 1 below)	404.67

**(iv) Changes in contract assets are as follows:**

Particulars	As at 31 March 2021
Opening balance	177.60
Add: Contracts assets created during the year	410.32
Less: Contracts assets billed during the year	(183.25)
<b>Closing balance</b>	<b>404.67</b>

Note 1. 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.

**21. Other income**

Particulars	For the year ended 31 March 2021
<b>Interest income on</b>	
- Bank deposits at amortized cost	3.20
- Unwinding of discount on security deposits paid	6.29
Rent concession on lease liabilities	16.93
Gain on termination of lease	0.47
	<b>26.89</b>

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**22. Freight, handling and servicing cost**

Particulars	For the year ended 31 March 2021
Linehaul charges	3,845.04
Pick-up and delivery charges	1,928.74
Franchisee commission	75.43
Packing materials and consumables	31.98
Manpower and conveyance charges	13.85
Warehouse rental charges	20.12
Packing charges	10.22
	<b>5,925.38</b>

**23. Employee benefits expense**

Particulars	For the year ended 31 March 2021
Salaries, wages and allowances	710.10
Gratuity expense	17.30
Employee stock option expenses	27.93
Contribution to provident fund and other funds	47.23
Staff welfare expenses	53.48
	<b>856.04</b>

**24. Finance costs**

Particulars	For the year ended 31 March 2021
<b>Interest</b>	
- Interest on current borrowings	54.86
- Interest on non current borrowings	137.08
- Interest on NCDs	111.86
- Interest on dues to micro and small enterprises	1.02
- Interest on lease liabilities	64.46
	<b>369.28</b>

**25. Depreciation and amortization expense**

Particulars	For the year ended 31 March 2021
Depreciation of property, plant and equipment	119.90
Amortization of Goodwill	252.81
Amortization of intangible assets	14.17
Depreciation of right-of-use assets (refer note 31)	332.10
	<b>718.98</b>

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**26. Other expenses**

Particulars	For the year ended 31 March 2021
Lease and hire charges	49.63
Rent (refer note 31)	68.79
Rates and taxes	4.12
Power and fuel	39.38
Office maintenance	40.04
Insurance	4.77
Repairs and maintenance	
- plant and machinery	2.10
- others	13.57
Legal and professional charges	28.53
Auditor's remuneration (refer to note 26.1)	5.20
Sub-contractor costs	33.02
Travelling and conveyance	12.29
Printing and stationery	8.68
Allowance for bad and doubtful debts, net	64.35
Corporate social responsibility expenses (refer to note 37)	-
Information technology service cost	36.47
Postage and telephone	19.94
Bank charges	2.66
Bad debts written off	0.03
Security expenses	66.10
Sales and marketing expenses	2.37
Miscellaneous expenses	1.15
	<b>503.19</b>

**26.1. Auditors remuneration**

Particulars	For the year ended 31 March 2021
Statutory audit	4.22
Tax audit	0.55
Other Services	0.25
Out of pocket expenses reimbursed	0.18
	<b>5.20</b>

**27. Earnings per share**

Basic Earnings Per Share (EPS) and Diluted Earnings Per Share (EPS) amounts are calculated by dividing the loss for the year attributable to equity shareholders of the Holding Company by the weighted average number of Equity shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations :

Particulars	For the year ended 31 March 2021
Loss attributable to equity shareholders of the Holding Company	(267.40)
Number of equity shares at the beginning of the year	17,651,645
Add: Weighted average number of equity shares issued during the year	1,083,979
Weighted average number of equity shares considered for calculation of Basic earnings per share	<b>18,735,624</b>
Number of shares to be issued upon exercise of ESOP	853,392
Weighted average number of equity shares considered for calculation of Diluted earnings per share	<b>19,589,016</b>
<b>Earnings per share</b>	
Basic (INR)	(14.27)
Diluted (INR)	(14.27)

Note: Basic and diluted earnings per share are same as the effect of potential dilutive shares, which would be anti-dilutive, has not been considered.

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**28. Significant accounting judgements, estimates and assumptions**

The preparation of the Special Purpose Consolidated 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 Special Purpose Consolidated 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 Special Purpose Consolidated 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.

**(i) Share-based payments:**

Employees of the Holding 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 Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the Special Purpose Consolidated Statement of Profit and Loss for the year represents the movement in cumulative expense recognized as at the beginning and end of that year and is recognized in employee benefits expense.

**(ii) 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 period.

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 31.

**(iii) Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the Special Purpose Consolidated Financial Statements 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.

**(iv) Lease:**

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.

**(v) Useful Life of property, plant and equipment:**

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement and anticipated technological changes.

**28. Significant accounting judgements, estimates and assumptions (continued)**

**(vi) Loss allowance on trade receivables:**

Provision for expected credit losses of trade receivables: The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on quarters 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 Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every balance sheet 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 Group's trade receivables is disclosed in Note 7. 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.

**(vii) Deferred Taxes:**

Deferred income tax asset 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 utilized. Deferred income tax liabilities are recognised for all taxable temporary differences.

**(viii) 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.

**(ix) Provisions and contingencies:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

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**29. Gratuity plan**

**a) Defined Contribution Plans**

The Group makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards Provident Fund and state plans such as Employees' State Insurance (ESI), which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The Group contribution is recognised as an expense in the Special Purpose Consolidated Statement of Profit and Loss during the year in which the employee renders the related services.

During the year, the Group has recognised the following amounts in the Special Purpose Consolidated Statement of Profit and Loss, which are included in contribution to provident and other funds:

Particulars	For the year ended 31 March 2021
Provident Fund and Employee's Pension Scheme	41.08
Employees' State Insurance	6.15
	<b>47.23</b>

**b) Defined Benefit Plans**

The Group provides for gratuity, a defined benefit plan (the Gratuity Plan), to its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, of an amount based on the respective employee's last drawn salary and years of employment with the Group. The gratuity plan of the Group is non-funded.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation.

<b>(i) Change in projected benefit obligations</b>	<b>31 March 2021</b>
Opening defined benefit obligation	71.74
Interest cost	4.35
Current service cost	12.95
Benefits paid	(2.97)
Actuarial gain on obligation	(9.70)
<b>Closing defined benefit obligation</b>	<b>76.37</b>
Non-current	62.12
Current	14.25
<b>(ii) Reconciliation of present value of the obligation and the fair value of the plan assets:</b>	
Fair value of plan assets at the end of the year	-
Present value of the defined benefit obligations at the end of the year	76.37
<b>Liability recognised in the Special Purpose Consolidated Balance Sheet</b>	<b>(76.37)</b>
<b>(iii) Expense recognised in the Special Purpose Consolidated Statement of Profit and Loss</b>	<b>For the year ended</b>
	<b>31 March 2021</b>
Current service cost	12.95
Interest cost	4.35
<b>Net gratuity cost</b>	<b>17.30</b>
<b>(iv) Remeasurement gains in other comprehensive income</b>	<b>For the year ended</b>
	<b>31 March 2021</b>
Actuarial Gain due to Demographic Assumption changes in Defined Benefit Obligation	(2.73)
Actuarial Gain from changes in financial assumptions	(2.57)
Experience adjustments	(4.40)
<b>Amount recognised in OCI during the year</b>	<b>(9.70)</b>
<b>(v) Actuarial assumptions</b>	<b>31 March 2021</b>
Discount rate	6.69% to 7.15%
Salary growth rate	7% to 8%
Attrition rate	5% to 26%
Normal retirement age	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 growth rate:** The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

**Attrition rate:** The estimate of future employee turnover.

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**29. Gratuity plan (continued)**

**(vi) A quantitative sensitivity analysis for significant assumption as at 31 March 2021 is as shown below:**

Particulars	31 March 2021	31 March 2021
Sensitivity level	Discount rate increase by 1.00%	Discount rate decrease by 1.00%
Impact on defined benefit obligation	(5.03)	5.73
Sensitivity level	Future salary increase by 1.00%	Future salary decrease by 1.00%
Impact on defined benefit obligation	5.44	(4.85)
Sensitivity level	Attrition rates increase by 1.00%	Attrition rates decrease by 1.00%
Impact on defined benefit obligation	(0.72)	0.79
Sensitivity level	Mortality rates increase by 10%	Mortality rates decrease by 10%
Impact on defined benefit obligation	(0.03)	0.03

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.

**(vii) Maturity profile of the defined benefit obligation**

**Expected undiscounted cash flows over the next :**

Year	31 March 2021
0-2	18.63
2-5	12.87
Above 5	104.83

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**30. Share-based payments**

**Employee stock option plan 2013:**

The Startrek Logistics Private Limited ESOP -2013 (now called as Spoton Logistics Private Limited) was approved by the Board of Directors of the Holding Company in June 2013 and by the shareholders in August 2013. The ESOP 2013 plan provides the maximum exercisable share into not more than 3% paid up capital to the employees. The plan is administered by a Board or a sub committee. The plan was revised and approved by the board of directors and shareholders of the Holding Company on 2 April 2019 and total number of Employee Stock Options to be granted under the Stock Option Scheme was increased to 9% of paid up capital. Options will be issued to employees of the Holding Company at an exercise price, which shall be determined and established of an equity share in the recent funding immediately preceding the date of grant or any other price not less than the face value of the shares as determined by the Board. The equity shares covered under these options would vest not more than five years from the date of grant of such options.

**Employee stock option plan 2018:**

The Spoton Logistics Private Limited ESOP-2018 was approved by the Board of Directors of the Holding Company and shareholders effective from 12 October 2018. The ESOP 2018 plan provides for the issue of 1,300,000 options to the employees. The plan is administered by a Board or a sub committee. Options will be issued to employees of the Holding Company at an exercise price, which shall be determined and established of an equity share in the recent funding immediately preceding the date of grant or any other price not less than the face value of the shares as determined by the Board. The equity shares covered under these options would vest not more than five years from the date of grant of such options. Option activity during the year ended 31 March 2021 and the related weighted average exercise price of stock options under the Spoton Logistics Private Limited ESOP-2018, is presented below:

**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:

**2013 Scheme**

Particulars	For the year ended 31 March 2021	
	Number of options	Weighted average exercise price
Options outstanding at the beginning of the year	627,575	50
Options outstanding at the end of the year	627,575	50
Vested options	627,575	50

**2018 Scheme**

Particulars	For the year ended 31 March 2021	
	Number of options	Weighted average exercise price
Options outstanding at the beginning of the year	690,180	227
Granted during the year	14,707	227
Options outstanding at the end of the year	704,887	227
Vested options	225,817	227
Unvested options	479,070	-

The weighted average remaining contractual life for the stock options outstanding are 2 years.

The weighted average fair value of the option granted during the year is INR 366.

Total expense arising from share based payment transaction for the year is INR 27.93 million.



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**30. Share-based payments (continued)**

The following tables list the inputs to the models used for the share based payment plans for the year ended 31 March 2021:

<b>Particulars</b>	<b>As at 31 March 2021</b>
Dividend yield (%)	0.00%
Expected volatility (%)	33.26%
Risk-free interest rate (%)	6.32%
Expected life of share options (in years)	4
Weighted average share price (INR )	145
Model used	Black Scholes 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.

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**31. Leases**

The following is the summary of practical expedients elected on initial application of Ind AS 116 "Leases":

1. The use of hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.
2. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
3. The Group has also elected not to reassess whether a contract is, or contains a lease at the date of initial application.
4. Applied the practical expedient for not to separate the non-lease components from lease components, and instead account for both lease and non-lease components as single lease component.

The weighted average incremental borrowing rate applied to lease liabilities as at 01 April, 2020 is 7.50%.

**The effect of adoption of Ind AS 116 is as follows:**

Particulars	As at 31 March 2021	As at 1 April 2020
<b>Assets</b>		
<b>Non-current assets</b>		
Right-of-use assets	924.13	799.19
<b>Total assets</b>	<b>924.13</b>	<b>799.19</b>
<b>Equity</b>		
Retained Earnings	-	60.12
<b>Total equity</b>	<b>-</b>	<b>60.12</b>
<b>Liabilities</b>		
Lease liabilities	967.60	837.77
<b>Total liabilities</b>	<b>967.60</b>	<b>837.77</b>
<b>Special Purpose Consolidated Statement of Profit and Loss</b>		
Depreciation on right-of-use assets	332.10	-
Expense relating to short-term leases (included in other expenses)	68.79	-
Interest cost	64.46	-
<b>Total charge</b>	<b>465.35</b>	<b>-</b>

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**31. Leases (continued)**

**Group as a lessee**

The Group has lease contracts for office premises having a lease term ranging from 1-9 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year

	<b>Right to use asset Amount</b>
<b>As at 1 April 2020</b>	<b>799.19</b>
Additions	462.26
Deletions	(5.22)
Depreciation expense	(332.10)
<b>As at 31 March 2021</b>	<b>924.13</b>

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	<b>Lease liabilities Amount</b>
<b>As at 1 April 2020</b>	<b>837.77</b>
Additions	447.68
Deletions	(5.69)
Accretion of interest	64.46
Payments	(359.69)
Rent concession on lease liabilities	(16.93)
<b>As at 31 March 2021</b>	<b>967.60</b>

The following is the break-up of current and non-current lease liabilities:

<b>Particulars</b>	<b>As at 31 March 2021</b>
Current lease liabilities	312.82
Non-current lease liabilities	654.78
<b>Closing balance</b>	<b>967.60</b>

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

<b>Particulars</b>	<b>As at 31 March 2021</b>
Less than one year	377.58
One to five years	644.91
More than five years	8.53
<b>Closing balance</b>	<b>1,031.02</b>

**COVID-19 related rent concessions**

The Group has opted for the practical expedient for rent concession issued by Ministry of Corporate Affairs in which Companies are not required to reassess the lease as modification and recognize the gain as income in profit and loss.

The Group does not face a 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.

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**32. Related party transactions:**

**Names of related parties and related party relationship:**

**Related parties under Ind AS 24:**

**1. Enterprises having control over the Company**

Samara Alternate Investment Fund (upto 24 August 2021)  
Samara Capital Partners Fund II Limited (upto 24 August 2021)  
Virginia Tech Foundation, Inc. (upto 24 August 2021)  
Xponentia Fund Partners LLP (upto 24 August 2021)  
Xponentia Opportunities Fund – I (upto 24 August 2021)  
Delhivery Limited (formerly known as Delhivery  
Private Limited) (w.e.f 24 August 2021)

**2. Key management personnel**

Abhik Mitra – Director  
Krishna Chandrasekar - Chief Financial Officer  
Pavithra P - Company Secretary  
Devinjit Singh - Director (upto 23 August 2021)  
Perumal Ramamurthy Srinivasan - Director (upto 23 August 2021)  
Goutam Gode - Director (upto 23 August 2021)  
Abhishek Kabra - Director (upto 24 August 2021)  
Ajith Pai Mangalore - Additional Director (w.e.f 24 August 2021)  
Amit Agarwal - Additional Director (w.e.f 24 August 2021 till 06 October 2021)  
Raghavan Narasimhan - Director (upto 18 August 2021)  
Raghavan Narasimhan - CEO of the Subsidiary (w.e.f 18 August 2021)  
Pallavi Aravind - Director (upto 28 January 2020)  
TNS Raghavan - Director (upto 28 January 2020)  
Srivatsan Rajan (Independent director w.e.f 13 October 2021)  
Pooja Gupta (Director w.e.f 06 October 2021)

**3. Parties where control exists irrespective of whether transactions have occurred or not**

Spoton Supply Chain Solutions Private Limited  
(formerly known as Raag Technologies and Services Private Limited)  
("referred as the Subsidiary")

**4. Relative of Key Management Personnel**

Pallavi Aravind (Spouse of the CEO of the Subsidiary)  
T N S Raghavan (Father of the CEO of the Subsidiary)

**5. Enterprises owned or significantly influenced by KMP and relative of KMP**

Rangan Manufacturing Services Private Limited (Raghavan Narasimhan and Pallavi Aravind - Shareholders and Directors)

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**32. Related party transactions (continued)**

a) The following is the summary of significant transactions with related parties for the year ended 31 March 2021:

S.No	Name of the Related party	Nature of transactions	Year ended 31 March 2021
			Transactions for the year
1	Samara Alternate Investment Fund	Issue of equity shares (including securities premium)/share application money received	135.36
2	Samara Capital Partners Fund II Limited	Issue of equity shares (including securities premium)/share application money received	164.64
3	Xponentia Fund Partners LLP	Issue of equity shares (including securities premium)/share application money received	39.25
4	Xponentia Opportunities Fund – I	Issue of equity shares (including securities premium)/share application money received	60.75
5	Pallavi Aravind	Rent expenses	0.96
6	Rangan Manufacturing Services Private Limited	Amounts realised from debtors transferred as part of Scheme of Demerger	109.11
7	Rangan Manufacturing Services Private Limited	Amounts paid to creditors transferred as part of Scheme of Demerger	106.85
8	Rangan Manufacturing Services Private Limited	Transactions (net) for the period 07 November 2019 to 31 March 2020	8.63
9	Abhik Mitra- Director	Key managerial remuneration (including applicable end of service benefits)**	15.40
10	Krishna Chandrasekar	Key managerial remuneration (including applicable end of service benefits)**	7.02
11	Raghavan Narasimhan	Key managerial remuneration (including applicable end of service benefits)**	3.73
12	Pavithra P	Key managerial remuneration (including applicable end of service benefits)**	0.22

\*\*Key managerial remuneration includes bonus paid in the current year.

The remuneration to key management personnel doesn't include the provisions made for gratuity and leave encashment, as they are obtained on an actuarial basis for the Holding Company and the Subsidiary as a whole.

b) The following is the summary of balances outstanding with related parties as at year ended 31 March 2021:

S.No	Name of the Related party	Nature of balances	As at 31 March 2021
			Outstanding at year end
1	Pallavi Aravind	Other current financial liabilities - Rent payable	0.23
2	Raghavan Narasimhan	Other current financial liabilities - Other payables - payable to Director	2.12
3	Rangan Manufacturing Services Private Limited	Other current assets - Other receivables	6.37

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**33. Segments reporting**

The Group's business activities which are primarily domestic road transport services engaged in domestic cargo shipments by land and the only geographical segment is 'India'. These activities fall within a single reportable segment as the management reviews the financial performance of Logistic services on consolidated basis. Accordingly, there are no additional disclosures to be furnished in accordance with the requirement of Ind AS 108 – Operating Segments with respect to single reportable segment.

**Major customer**

Revenue from any customer of the Group's domestic road transport business does not exceed 10% of the total revenue reported and hence, the Management believes there are no major customers to be disclosed.

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**34. Details of dues to micro and small enterprises as defined under MSMED Act 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2021 and 1 April 2020 has been made in the Special Purpose Consolidated Financial Statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

<b>Particulars</b>	<b>31 March 2021</b>
The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:	
Principal	15.01
Interest	1.01
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year:	
Principal	-
Interest	0.20
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 Micro, Small and Medium Enterprises Development Act, 2006.	0.01
The amount of interest accrued and remaining unpaid at the end of each accounting year.	1.02
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	1.02

**35. Capital and other commitments**

<b>Particulars</b>	<b>31 March 2021</b>
Estimated amount of contracts remaining to be executed on capital account (net of advances)	45.95
Letter of comfort issued to lender against credit facilities availed by the Subsidiary Company	600.00

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**36. Contingent Liabilities not provided for:**

Particulars	31 March 2021
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**a. Service Tax**

During year 2017-18, the Commissioner of service tax department had issued show cause notices (SCNs) for raising demands of Rs. 189.39 millions and Rs. 221.64 millions on 28 March 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 vendors as a Goods Transport Agency for that period. The SCN alleged that vehicle hire services availed by the Holding Company 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) (zzp) of the Finance Act prior to July 1, 2012 and the Holding Company is required to pay the service tax under the reverse tax charge mechanism. The Holding Company had responded to these SCNs in 2017-18.

During the year ended 31 March 2019, the Department passed adjudication order on 06 September 2018 with a service tax demand of Rs.189.39 millions and along with interest and penalty of Rs.189.39 millions for the period from January 2012 to March 2015. The Holding Company has filed an appeal before CESTAT against the order after paying Rs.14.20 millions under protest. The SCN relating to the period from April 2015 to June 2017 is yet to be adjudicated as at 31 March 2021.

600.43

Subsequent to the balance sheet date, an adjudication order passed by Principal Commissioner of Central Tax, Bangalore was received on 28 July 2021 with a tax demand of Rs. 221.64 millions along with interest and penalty of Rs. 22.16 millions for the period from April 2015 to June 2017.

Based on the underlying facts, applicable laws and industry standards, the Holding Company is confident of prevailing against the Department's position and does not anticipate any adverse financial outcome.

**b) Sales Tax Department-Bihar**

During the year 2017-18, the Assistant Commissioner of Commercial Tax - Investigation and Bureau (Bihar), has raised demand of Rs.5.34 millions (including penalty) on failure of producing statutory records reflecting proper account of goods under provision of section 61 of BVAT Act 2005, read with Rule 41 of WBvat rules 2005. The Holding Company filed a writ petition before the Patna High Court directing the Department not to take action till the Holding Company's application is heard by the Tribunal.

The Hon'ble High Court upon hearing had directed the Department not to take any coercive action against the Holding Company for recovery of the disputed amount till the Holding Company's revision application was taken up for hearing by the Commercial Tax Tribunal. As at 31st March 2020, The Commercial Tax Tribunal was yet to hear the said matter.

-

On 09 march 2021, the dispute has been closed under the order of settlement of Bihar Settlement of Taxation Disputes Act, 2019, by payment of INR. 5.34 million.

**c) Other matters**

- Demands not acknowledged by the Holding Company
- Provident fund [refer to note (i) below]

0.62  
55.66

**Note (j)**

The Hon'ble Supreme Court of India ('SC') by their order dated 28 February 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. The Holding Company has been legally advised that there are interpretative challenges on the application of Judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Holding Company has complied with order on a prospective basis, from the date of SC Order. The Holding Company considered exposure related to the period before the date of SC order and shown as a contingent liability.



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**36. Contingent Liabilities not provided for (continued)**

**Note (ii)**

**Appointment of Company Secretary**

As per Section 203 of Companies Act 2013, read with rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, if a Company does not have a whole time Company Secretary ("CS"), a Company shall be punishable with fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakhs and every director and key managerial personnel of a Company who is in default shall be punishable with fine which may extend to Rs. 50,000 and where the contravention is a continuing, with a further fine which may extend to Rs. 1,000 per day until the date of appointment.

Since the paid up capital of the Holding Company is Rs. 176.52 million i.e. more than five crore rupees (ten crores w.e.f. 01 April 2020 as amended vide notification dated 03 January 2020, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014), the Holding Company was required to have a whole time CS. The Holding Company appointed whole time CS on 02 May 2019 and made two compounding applications with Registrar of Companies, one for compounding of offense till 02.11.2018 (till the time of adjudication provision became effective) and second for adjudication from 02.11.2018 (date of effectiveness of adjudication provision) till 02.05.2019 (date of appointment of Company Secretary). The Holding Company's management does not expect significant penalty arising out of the compounding proceedings.

**Note (iii)**

The Holding Company 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. The Company has filed a compounding application dated 9 August 2021 seeking compounding for such offence with the Registrar of Companies, Ahmedabad. The Holding Company's management expect that the compounding will not result in any significant penalties to the Holding Company.

(i) Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.

(ii) 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.

(iii) The Group doesn't expect any reimbursements in respect of the above contingent liabilities

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**37. Expenditure on Corporate Social Responsibility Activities**

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds are allocated to the activities which are specified in Schedule VII of the Companies Act, 2013. Details of the Holding Company's CSR expenditure is as follows:

Particulars	31 March 2021
(a) Gross amount required to be spent by the Holding Company during the year	-
Add: Unspent amount from prior years	4.11
Total Gross amount required to spent	<b>4.11</b>
(b) Amount approved by the Board to be spent during the year	0.50
(c) Amount spent during the year ended on on 31 March 2021:	

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above*	0.50	-	0.50
(d) Details related to spent / unspent obligations:			<b>31 March 2021</b>
i) Contribution to Public Trust			
ii) Contribution to Charitable Trust*			3.61
iii) Unspent amount in relation to			
- Ongoing project			-
- Other than ongoing project			-
			<b>3.61</b>

\* The Holding Company has not disbursed any funds towards CSR activities due to the COVID-19 pandemic conditions. However, the cumulative unspent amount of INR 3.61 million as at the year end transferred to separate bank account on May 26, 2021 in accordance with Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021. CSR Projects have been identified subsequent to the balance sheet date and as of date, disbursement already made for INR. 3.6 million.

**38. Estimation uncertainty relating to the global health pandemic on COVID-19:**

The COVID-19 pandemic is rapidly spreading throughout the world. The event significantly affects the economic activity worldwide and, as a result, could affect the operations and results of the Group.

The Group's operations were impacted due to the lockdown restrictions imposed by the Government. The Management is of the view that subsequent to the lockdown period, the operations of the Group are returning to normalcy. However the Management is closely monitoring any foreseeable impact of COVID on the operations of the Group and is confident of obtaining regular supply of logistics services for foreseeable period. The Management has also performed an extensive analysis of the impact of COVID on the assumptions used in preparing these Special purpose consolidated financial statements and has concluded that no adjustments are required in these Special purpose consolidated financial statements on this account. The actual impact of COVID-19 on the Special purpose consolidated financial statements may differ from that estimated as at the date of approval of the Special purpose consolidated financial statements and the Group's management continues to closely monitor any material changes to future economic conditions.

- 39 **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.**

#### I) Names and general nature of business of the amalgamating companies

Vankatesh Pharma Private Limited (hereinafter referred to as the "Transferor Company" or "the VPPL") is a company under the Companies Act, 1956 had its registered office Opposite to SEZ Naman Industrial Estate, ATPO Matoda, Village Matoda, Taluka Sanand, Ahmedabad, Survey No 520/1 & 520/2, Gujarat, Ahmedabad- 382213, India. VPPL was primarily engaged in Business Advisory Services (focusing on pharmaceutical products).

Spoton Logistics Private Limited is a Company (hereinafter referred to as the "Transferee Company" or "SLPL") with its registered office Opposite to SEZ Naman Industrial Estate, ATPO Matoda, Village Matoda, Taluka Sanand, Ahmedabad, Survey No 520/1 & 520/2, Gujarat, Ahmedabad- 382213, India. The SLPL is engaged in the domestic road business i.e. transportation freight through surface and air transport, within the territory of India.

#### II) Effective date of arrangement for accounting purposes

Effective date of the Scheme for accounting purposes is 30 August 2018.

The Scheme of Arrangement was duly approved by the National Company Law Tribunal of Ahmedabad on 27 November 2019 under provision of the Companies Act 2013, and the certified true copy of the Scheme was filed with the Registrar of Companies on 10 January 2020 for regularisation.

#### (III) The method of accounting used to reflect the Scheme of Arrangement:

As per Scheme of Arrangement submitted to the NCLT, with the effect from the appointed date, the Transferee Company shall account for the arrangement in the books by following 'Purchase Method of Accounting' laid down by Accounting Standard 14 (Accounting for amalgamations) notified under the Companies (Accounting Standard) Rule, 2006. Also refer to note 1.

#### The details of assets and liabilities acquired:

Particulars	Amount (Rs.)
<b>Assets:</b>	
<b>Non current assets</b>	
Other non-current assets (refer note (i) below)	-
<b>Current assets</b>	
Cash and bank balances	107,994,250
Short-term loan and advances	64,000
Other current asset (refer note (i) below)	-
	<u>108,058,250</u>
<b>Total assets (A)</b>	<b>108,058,250</b>
<b>Liabilities:</b>	
<b>Non current liabilities</b>	
Long term borrowings	1,350,000,000
	<u>1,350,000,000</u>
<b>Current liabilities</b>	
Trade payables (refer note (i) below)	-
Other current liabilities	22,089,418
Short-term provisions	38,500
	<u>22,127,918</u>
<b>Total liabilities (B)</b>	<b>1,372,127,918</b>
<b>Net liability (C= A-B)</b>	<b>(1,264,069,668)</b>
<b>Transferred to Goodwill</b>	<b>(1,264,069,668)</b>
	(refer note (ii) below)

#### Notes:

- (i) The Transferor Company had entered into a Reimbursement Agreement ("the agreement") on 06 December 2018 with one of its shareholders, namely Samara Capital Partners Fund II Limited ("Samara") for reimbursement of insurance premium amounting to INR 54,000,000 (USD 750,000) obtained by Samara from a foreign insurer, wherein the Transferor Company was a beneficiary. The insurance premium was recognized as a liability due to Samara by the Transferor Company with a corresponding debit to prepayments. These balances of liability and prepayment were transferred to the Transferee Company as part of the assets and liabilities acquired through the Scheme.

During the year ended 31 March 2021, the Holding Company's management has obtained a legal opinion and based on which, it has been concluded that the Reimbursement agreement was not in compliance with the Foreign Exchange Management Act, 1999 ("FEMA") and the regulations issued thereunder. Accordingly, the agreement has been cancelled on 10 February 2021, with effect from 06 December 2018 and the underlying transaction and balances were reversed in the Holding Company's books. Consequently, the liability due to Samara of INR 54,000,000 and prepayment of INR 53,728,448 (non-current INR 46,648,707 and current INR 7,079,741) were not considered as part of the assets and liabilities acquired under the Scheme. In addition, the amortization of prepayment carried out in the books of the Transferor Company between 30 August 2018 and 31 March 2019 were also not considered as part of the loss transferred from the Transferor Company under the Scheme.

- (ii) The difference between the net liability of the Transferor Company transferred to and recorded in the books of the Transferee Company and the amount credited to the equity share capital is adjusted against the goodwill account.

**Spoton Logistics Private Limited**  
**Notes to the Special Purpose Consolidated Financial Statements**  
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**40 First time adoption of Ind AS**

These Special Purpose Consolidated Financial Statements for the year ended 31 March 2021 of the Group have been prepared in accordance with Note 2.1 Basis of preparation. For periods up to and including the year ended 31 March, 2021, the Group prepared its consolidated financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

In preparing these Special purpose consolidated financial statements, the Group's opening balance sheet was prepared as at 1 April 2020, being the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP consolidated financial statements, including the consolidated balance sheet as at 1 April 2020 and the special purpose consolidated financial statements as at and for the year ended 31 March 2021.

**Exemptions applied**

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS, Set out below are the applicable Ind AS 101 mandatory exceptions and optional exemptions applied in the transition from previous GAAP to Ind AS.

**a) Mandatory exceptions to retrospective applications**

**i. Estimates**

The estimates are consistent with those made for the same dates in accordance with Indian GAAP apart from the Impairment of financial assets based on Expected Credit Loss (ECL) model where application of Indian GAAP did not require estimation.

The estimates used by the Group to present these amounts in accordance with Ind AS reflect conditions at 1 April 2020 the date of transition to Ind AS, and as of 31 March 2021.

**ii. De-recognition of financial assets and financial liabilities**

The Group has applied the de-recognition requirements under Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS.

**b) Ind AS optional exemptions**

**i. Deemed cost-Previous GAAP carrying amount: (PPE and Intangible) :**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP (Indian GAAP) and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38. Accordingly, the Group has elected to measure all of its property, plant and equipment and intangible assets at their previous GAAP carrying value.

**ii. Classification and measurement of financial instruments**

The Group has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

**iii. Business Combinations**

Appendix C to Ind AS 101 contains the requirement that an entity should apply to business combination that the Group recognised before the date of transition to Ind AS. The key requirements are as follows:

(i) A first time adopter may elect not to apply Ind AS 103 retrospectively to past business combinations. i.e ( business combination that occurred before the date of transition to Ind AS). However, if a first time adopter restates any business combinations to comply with Ind AS 103, it shall restate all latter business combinations and shall also apply Ind AS 110 from the same date. Accordingly, the Group has elected to opt for the transition option.

**iv. Employee stock option plans**

The Group has opted the exemption with respect to Ind AS 102 on 'Share-based Payment' to equity instruments i.e. ESOP options that vested before the date of transition to Ind-AS and accordingly has not accounted for the options that vested before 1 April 2020.

**C) Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

- i. Reconciliation of special purpose consolidated balance sheet as at 01 April 2020 (date of transition to Ind AS)
- ii. Reconciliation of special purpose consolidated balance sheet as at 31 March 2021
- iii. Reconciliation of special purpose consolidated statement of profit and loss for the year ended 31 March 2021
- iv. Reconciliation of special purpose consolidated statement of cash flows for the year ended 31 March 2021

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**40 First time adoption of Ind AS (continued)**

**Reconciliation of special purpose consolidated balance sheet as at 1 April 2020**

Particulars	Footnotes	Indian GAAP	Ind AS adjustments	Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		203.74	-	203.74
Goodwill		1,059.96	-	1,059.96
Other intangible assets		57.61	-	57.61
Right of use assets	1 & 2	-	799.19	799.19
Intangible assets under development		7.91	-	7.91
Other financial assets	1	182.46	(59.26)	123.20
Tax assets (net)		290.07	-	290.07
Other assets		17.87	-	17.87
<b>Total Non-current assets</b>		<b>1,819.62</b>	<b>739.93</b>	<b>2,559.55</b>
<b>Current assets</b>				
<b>Financial assets</b>				
Trade receivables	5	1,580.60	(1.90)	1,578.70
Cash and cash equivalents		113.31	-	113.31
Other bank balances		84.90	-	84.90
Other financial assets	1	189.06	36.69	225.75
Other assets		146.34	-	146.34
<b>Total current assets</b>		<b>2,114.21</b>	<b>34.79</b>	<b>2,149.00</b>
<b>Total Assets</b>		<b>3,933.83</b>	<b>774.72</b>	<b>4,708.55</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital		176.52	-	176.52
Other Equity		603.83	(454.29)	149.54
<b>Equity attributable to equity holders of the Holding Company</b>		<b>780.35</b>	<b>(454.29)</b>	<b>326.06</b>
Non-controlling interests		20.77	(20.77)	-
<b>Total equity</b>		<b>801.12</b>	<b>(475.06)</b>	<b>326.06</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings		1,113.75	-	1,113.75
Lease liabilities	2	-	548.09	548.09
Other financial liabilities	10	16.21	209.55	225.76
Long term provisions		71.36	3.75	75.10
Deferred tax liabilities (net)		(9.32)	195.98	186.66
Other non-current liabilities		8.77	(8.77)	0.00
<b>Total non-current liabilities</b>		<b>1,200.77</b>	<b>948.60</b>	<b>2,149.36</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings		887.18	-	887.18
Lease liabilities		-	289.68	289.68
Trade payables		6.62	-	6.62
Total outstanding dues of micro enterprises and small enterprises		866.49	6.07	872.56
Other financial liabilities		99.67	18.56	118.23
Provisions		14.50	0.18	14.68
Other current liabilities	3	57.49	(13.29)	44.20
<b>Total current liabilities</b>		<b>1,931.95</b>	<b>301.20</b>	<b>2,233.15</b>
<b>Total liabilities</b>		<b>3,132.72</b>	<b>1,249.80</b>	<b>4,382.51</b>
<b>Total equity and liabilities</b>		<b>3,933.83</b>	<b>774.72</b>	<b>4,708.55</b>

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**40 First time adoption of Ind AS (continued)**

**Reconciliation of special purpose consolidated balance sheet as at 31 March 2021**

Particulars	Footnotes	Indian GAAP	Ind AS adjustments	Ind AS
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		195.94	-	195.94
Goodwill	4	795.90	11.34	807.14
Other intangible assets		60.11	-	60.11
Right of use assets	1 & 2	-	924.13	924.13
Intangible assets under development		6.78	-	6.78
Other financial assets	1	235.63	(101.96)	133.67
Tax assets (net)		273.85	-	273.85
Other assets		20.78	-	20.78
<b>Total Non-current Assets</b>		<b>1,588.99</b>	<b>833.51</b>	<b>2,422.40</b>
<b>Current assets</b>				
<b>Financial assets</b>				
Trade receivables	5	1,760.79	31.98	1,792.77
Cash and cash equivalents		237.27	-	237.27
Other bank balances		6.87	-	6.87
Other financial assets	1	421.12	71.10	492.22
Other assets		216.22	-	216.22
<b>Total current assets</b>		<b>2,642.27</b>	<b>103.08</b>	<b>2,745.35</b>
<b>Total Assets</b>		<b>4,231.26</b>	<b>936.59</b>	<b>5,167.75</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital		198.26	-	198.26
Other Equity		730.93	(442.53)	288.40
<b>Equity attributable to equity holders of the Holding Company</b>		<b>929.19</b>	<b>(442.53)</b>	<b>486.65</b>
Non-controlling interests		14.52	(14.52)	-
<b>Total equity</b>		<b>943.71</b>	<b>(457.05)</b>	<b>486.65</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings	6	986.67	72.81	1,059.48
Lease liabilities	2	-	654.78	654.78
Other financial liabilities	10	16.51	209.55	226.06
Long term provisions		80.73	(5.13)	75.60
Deferred tax liabilities (net)		(103.53)	137.00	33.48
Other non-current liabilities		27.38	(27.38)	0.00
<b>Total non-current liabilities</b>		<b>1,007.76</b>	<b>1,041.63</b>	<b>2,049.40</b>
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
Borrowings		727.23	-	727.23
Lease liabilities	2	-	312.82	312.82
Trade payables				
Total outstanding dues of micro enterprises and small enterprises		16.03	-	16.03
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,356.09	-	1,356.09
Other financial liabilities		114.05	45.12	159.16
Provisions		17.25	1.69	18.94
Other current liabilities	3	49.04	(7.61)	41.43
<b>Total current liabilities</b>		<b>2,279.69</b>	<b>352.02</b>	<b>2,631.70</b>
<b>Total liabilities</b>		<b>3,287.45</b>	<b>1,393.65</b>	<b>4,681.10</b>
<b>Total equity and liabilities</b>		<b>4,231.26</b>	<b>936.59</b>	<b>5,167.75</b>

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**40 First time adoption of Ind AS (continued)**

**Reconciliation of special purpose consolidated statement of profit and loss for the year ended 31 March 2021:**

Particulars	Footnotes	Indian GAAP	Ind AS adjustments	Ind AS
<b>Income</b>				
Revenue from operations	5	7,992.99	42.89	8,035.87
Other Income	2	3.20	23.69	26.90
<b>Total Income</b>		<b>7,996.19</b>	<b>66.58</b>	<b>8,062.77</b>
<b>Expenses</b>				
Freight, handling and servicing cost	5	5,904.89	20.48	5,925.38
Employee benefits expense	7	827.30	28.74	856.04
Finance costs	2 & 6	232.00	137.27	369.28
Depreciation and amortization expense	2	398.21	320.77	718.98
Other expenses	2	866.82	(363.61)	503.19
<b>Total expenses</b>		<b>8,229.22</b>	<b>143.65</b>	<b>8,372.87</b>
<b>Loss before exceptional items and tax</b>		<b>(233.03)</b>	<b>(77.07)</b>	<b>(310.10)</b>
Exceptional items				
<b>Loss before tax</b>		<b>(233)</b>	<b>(77)</b>	<b>(310.10)</b>
Tax expense, comprising:				
Current tax		120.13	-	120.13
Deferred tax	8	(94.20)	(62.37)	(156.57)
<b>Total tax expense (VI)</b>		<b>25.93</b>	<b>(62.37)</b>	<b>(36.44)</b>
<b>Loss for the year (VII= V-VI)</b>		<b>(258.97)</b>	<b>(14.70)</b>	<b>(273.66)</b>
<b>Other comprehensive income:</b>				
<b>(a) Items that will not be reclassified to profit or loss in subsequent</b>				
(i) Re-measurement losses on defined benefit plans		-	9.70	9.70
(ii) Income tax relating to items that will not be re-classified to profit or		-	(3.39)	(3.39)
<b>Other comprehensive loss for the year</b>	9	-	6.31	6.31
<b>Total comprehensive loss for the year</b>		<b>(258.97)</b>	<b>(8.39)</b>	<b>(267.35)</b>

**vi) Footnotes to the reconciliation of equity as at 1 April 2020 and 31 March 2021 and profit or loss for the year ended 31 March 2021:**

**1 Security Deposit**

Under the Indian GAAP, interest free security deposits given for lease ( that are refundable in cash and on completion of its term) are recorded at their transaction value. The Group has fair valued these financial assets i.e. security deposit given under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as ROU. The corresponding adjustments have been recognised in retained earnings as at the the date of transition and subsequently in profit and loss.

**2 Lease impact as per Ind AS 116**

Under previous GAAP, where the Group is a lessee were classified either as an operating or a finance lease. Under Ind AS 116, all arrangement that falls under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Group will recognise a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments. Further interest is accrued on such lease liability. On transition, the adoption of Ind AS 116 resulted in the ROU assets of INR 799.19 million and lease liabilities of INR 837.77 million. There is an increase in depreciation expense by INR 332.10 million during the year ended 31 March 2021. There is an increase in interest expense by INR 64.46 millions. There were certain lease contracts terminated during the year resulting in recognition of gain of INR 0.47 million. Also, the Group has applied the practical expedient of rent related concession and has recorded a gain of INR 16.93 million.

**3 Lease Equalization reserve**

Under previous GAAP, the Group was recording lease equalisation reserve. Under Ind AS, if the increase in lease rentals is in line with inflation, then there is no requirement for creation of lease equalisation reserve. Accordingly, Lease equalisation reserve as on transition date amounting to INR 22.07 million has been reversed with the corresponding impact on retained earnings. During the year ended 31 March 2021, the Group has booked lease equalisation expense under the head rental expense amounting to INR 12.93 million which has been reversed.

Deferred tax charged under the previous GAAP on such rent equalization reserve has also been reversed.

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**40 First time adoption of Ind AS (continued)**

**4 Goodwill**

Under previous GAAP, the Group used to amortize Goodwill over a period of five years. Under Ind AS, Goodwill related to other than Goodwill arising on amalgamation described in note 39 is not amortised but tested for impairment on an annual basis. Therefore the Goodwill amortisation under Indian GAAP for the year ended 31 March 2021 amounting to INR 11.34 million has been reversed. The Group has recognised deferred tax on the carrying value of the goodwill as on the balance sheet date.

**5 Revenue adjustment**

Under previous GAAP, the Group used to record the revenue once cargo was delivered to the customers. Under Ind AS, the Group has changed the revenue recognition policy and records the revenue over the period resulting in recognition of additional revenue of INR 42.89 million for the year ended 31 March 2021. The revenue adjustment also results in recognition of net additional cost of INR 26.56 million.

**6 Borrowings**

Under previous GAAP, the Group carried the debenture at its face value of INR 950 million. Under IND AS, as the debenture agreement contains certain put options available with lender exercisable upon certain events. The Group carries the debenture at fair value under IND AS. As a result of above, the additional interest expense amounting to INR 84.69 million has been accounted for and processing fees of INR 11.88 million has been reversed during the year ended 31 March 2021. The Group has recognised deferred tax asset on the net of additional interest expense and reversal of processing fees of INR 72.8 million.

**7 Employee benefits expense**

Under previous GAAP, the Group has not recorded the ESOP expense. Under IND AS, the ESOP has been classified as equity settled resulting in creation of Employee stock option outstanding account amounting to INR 46.05 million as on the date of transition to IND AS i.e. 1 April 2020. Subsequently, the ESOP expense under the head employee benefit expense has been booked amounting to INR 26.4 million for the year ended 31 March 2021. The employee benefit costs have increased by INR 9.7 million as remeasurement gain on defined benefit plans has been recognized in the OCI.

**8 Deferred tax assets (net)**

Previous GAAP requires deferred tax accounting using the profit and loss account approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the consolidated balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences relating to various transition adjustments which are recognised in correlation to the underlying transaction either in retained earnings as a separate component in equity.

**9 Other comprehensive income**

Both under Indian GAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Any remeasurements comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets 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. Thus the employee benefit costs (net of tax) is increased by INR 6.31 million due to remeasurement gain on defined benefit plans has been recognized in the OCI.

**10 NCI Put Liability**

Previous GAAP requires recognition of minority/non controlling interest based on the allocation of profit or loss attributable towards the NCI holders. As per the terms of the option deed agreement, the Group has recognised NCI Put liability of INR 209.55 million at fair value.

**11 Reconciliation of Special Purpose consolidated statement of cash flows**

Particulars	Indian GAAP	Ind AS adjustments	Ind AS
<b>For the year ended 31 March 2021</b>			
Net cash generated from operating activities	265.47	360.45	625.92
Net cash used in investing activities	(40.77)	(0.73)	(41.50)
Net cash used in financing activities	(100.75)	(359.69)	(460.44)
<b>Net increase in cash and cash equivalents</b>	<b>123.95</b>	<b>0.03</b>	<b>123.99</b>
Cash and cash equivalents as at 1 April 2020	113.31		113.31
Cash and cash equivalents as at 31 March 2021	237.27		237.30

Summary of Significant accounting policies (refer Note 2.4).



**Spoton Logistics Private Limited**  
**Notes to the Special Purpose Consolidated Financial Statements**  
*(All amount in INR Millions unless otherwise stated)*

**41. Events occurring after reporting period**

**(a) Acquisition of the Holding Company by Delhivery Limited:**

Pursuant to the Share Purchase Agreement dated 29 July 2021, as amended by Amendment Agreement executed on 19 August 2021, each executed amongst the Holding Company, Delhivery Limited ("Acquirer") and M/s Samara Alternate Investment Fund, M/s Samara Capital Partners Fund II Limited, M/s Virginia Tech Foundation, Inc., M/s Xponentia Opportunities Fund - I and Xponentia Fund Patners LLP (collectively called "Sellers"), the Board of directors of the Holding Company approved on 24 August 2021 and took on record the transfer of 1,98,25,558 fully paid-up equity shares of face value Rs. 10 each of the Holding Company, collectively held by the Sellers, free and clear of all encumbrances of any nature. The effective date of acquisition is 24 August 2021.

**(b) Full and Final redemption of Senior, Secured, Unrated, Unlisted, Non-Convertible Debentures ("NCDs"):**

On 25 August 2021, the Holding Company made voluntary redemption of 950, 13% non-convertible debentures of INR 1,000,000 each along with applicable interest and redemption premium. The total amount paid was INR 1,216.72 million representing INR 950 million against principal, INR 180.52 million against interest till the end of the lock-in-period as on the date of the redemption and INR 86.19 million against redemption premium.

**(c) Termination of Option Deed Agreement and Investment in equity shares of Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited):**

The Option Deed Agreement dated 04 December 2019, executed between the Narasimhan Raghavan, Pallavi Aravind ("the non-controlling shareholders in the Subsidiary"), the Subsidiary and the Holding Company was terminated on 17 August 2021. Further, the Holding Company entered into a share purchase agreement dated 7 August 2021 with the Subsidiary and non-controlling shareholders of the Subsidiary and invested in the remaining 1,750 equity shares of the Subsidiary on 16 August 2021.

**(d) Cancellation of ESOP scheme 2013 and 2018:**

The Holding Company's ESOP Schemes 2013 and 2018 have been cancelled via board resolution dated 3 September 2021 and employees have been paid cash or issued equity shares in lieu of cancellation.

As per our report of even date attached:

*For BSR & Associates LLP*  
*Chartered Accountants*  
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of  
**Spoton Logistics Private Limited**  
UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
*Partner*  
Membership No. 076806

Place: Bengaluru  
Date: 31 October 2021

**Ajith Pai Mangalore**  
*Director*  
DIN: 07168138

Place: Bengaluru  
Date: 31 October 2021

**Abhik Kumar Mitra**  
*Director*  
DIN: 00337465

Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
*Chief Financial Officer*

Place: Bengaluru  
Date: 31 October 2021

**Pavithra P**  
*Company Secretary*

Place: Bengaluru  
Date: 31 October 2021

## **INDEPENDENT AUDITORS' REPORT**

### **To the Board of Directors of Spoton Logistics Private Limited**

#### **Report on the Audit of Special Purpose Interim Consolidated Financial Statements**

##### **Opinion**

We have audited the accompanying Special Purpose Interim Consolidated Financial Statements of Spoton Logistics Private Limited (hereinafter referred to as the “Holding Company” or “the Company”) and its subsidiary (the Company and its subsidiary together referred to as “the Group”), which comprise the special purpose Interim consolidated balance sheet as at 30 June 2021, and the special purpose Interim consolidated statement of profit and loss (including other comprehensive income), the special purpose interim consolidated statement of changes in equity and the special purpose interim consolidated statement of cash flows for the three months period (“the period”) then ended, and summary of significant accounting policies along with the necessary and related notes (hereinafter referred to as “Special Purpose Interim Consolidated Financial Statements”). The Special Purpose Interim Consolidated Financial Statements have been prepared by the Management of the Company in accordance with the basis of the preparation as set out in Note 2.1 to the Special Purpose Consolidated Financial Statements.

In our opinion, and in the context of overriding effect of the accounting treatment for the amalgamation scheme approved by the National Company Law Tribunal (‘NCLT’) vis-à-vis the treatment that would have been applicable otherwise as described in note 4 of Special Purpose Interim Consolidated Financial Statements, the accompanying Special Purpose Interim Consolidated Financial Statements of the Group for the three months period ended 30 June 2021 are prepared, in all material respects, in accordance with the basis of the preparation as set out in Note 2.1 of the Special Purpose Interim Consolidated Financial Statements.

##### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Special Purpose Interim Consolidated Financial Statements* section of our report. We are independent of the Group 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 Special Purpose Interim Consolidated Financial Statements, 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 opinion on the Special Purpose Interim Consolidated Financial Statements.

## **INDEPENDENT AUDITORS' REPORT (continued)**

### **To the Board of Directors of Spoton Logistics Private Limited**

#### **Report on the Audit of Special Purpose Interim Consolidated Financial Statements**

##### **Emphasis of Matters**

- a. We draw attention to Note 39 to the Special Purpose Interim Consolidated Financial Statements for the three months period ended 30 June 2021 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 27 November 2019 with an appointed date of 30 August 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 Special Purpose Interim 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 4 to the Special Purpose Interim Consolidated Financial Statements.

Our conclusion is not modified in respect of this matter.

- b. We draw attention to Note 2.1 to the Special Purpose Interim Consolidated Financial Statements, which describes the basis of preparation in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) after considering the transition date of 1 April 2020. Further, the Special Purpose Interim Consolidated Financial Statements of the Group have been prepared for the purpose of preparation of Proforma financial statements by the Delhivery Limited (Issuer Company) which will be included in Initial Public Offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended and hence, these Special Purpose Interim Consolidated Financial Statements do not include certain disclosures which would have otherwise been required for general purpose Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements omit disclosures such as comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

Our conclusion is not modified in respect of this matter.

##### **Management's Responsibility for the Special Purpose Interim Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation of these Special Purpose Interim Consolidated Financial Statements which have been prepared in accordance with the basis of preparation as set out in Note 2.1 to the Special Purpose Interim Consolidated Financial Statements. The respective Management and Board of Directors are responsible for such internal control as management determines is necessary to enable the preparation of Special Purpose Financial Statements that are free from material misstatement, whether due to fraud or error.

## **INDEPENDENT AUDITORS' REPORT (continued)**

### **To the Board of Directors of Spoton Logistics Private Limited**

#### **Report on the Audit of Special Purpose Interim Consolidated Financial Statements**

#### **Management's Responsibility for the Special Purpose Interim Consolidated Financial Statements (continued)**

In preparing the Special Purpose Interim Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

#### **Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Special Purpose Interim Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 Special Purpose Interim 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 Special Purpose Interim 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, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Directors use of the going concern basis of accounting in preparation of Special Purpose Interim Consolidated Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the Special Purpose Interim 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

**INDEPENDENT AUDITORS' REPORT (continued)**

**To the Board of Directors of Spoton Logistics Private Limited**

**Report on the Audit of Special Purpose Interim Consolidated Financial Statements**

**Auditor's Responsibilities for the Audit of the Special Purpose Interim Consolidated Financial Statements (continued)**

We communicate with those charged with governance of the Holding Company and such other entities included in the Special Purpose Interim 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.

**Basis of Accounting and Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to Note 2.1 to the Special Purpose Financial Interim Consolidated Statements, which describes the basis of accounting. The Special Purpose Interim Consolidated Financial Statements of the Group have been prepared for the purpose of preparation of Proforma financial statements by Delhivery Limited ("the Issuer Company") which will be included in Initial public offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended. As a result, the Special Purpose Interim Consolidated Financial Statements may not be suitable for another purpose. Our report is solely for the use of the Board of Directors of the Company and for the use of current statutory auditors of the Issuer Company and for its inclusion in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus of the Issuer and should not be distributed to or used by other parties without our prior consent.

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm's Registration No: 116231 W/ W-100024

**Vipin Lodha**

*Partner*

Membership number: 076806

ICAI UDIN: 21076806AAAABT3619

Place: Bengaluru

Date: 31 October 2021

**Spoton Logistics Private Limited**  
**Special Purpose Interim Consolidated Balance Sheet**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	Notes	As at 30 June 2021
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3	192.63
Right of use assets	31	905.42
Goodwill	4	741.29
Other intangible assets	4	68.39
Intangible assets under development	5	15.91
Other financial assets	10	152.39
Deferred tax assets (net)	6	30.10
Tax assets (net)	11	297.28
Other assets	12	20.82
<b>Total non-current assets</b>		<b>2,424.23</b>
<b>Current assets</b>		
Financial assets		
Trade receivables	7	1,243.21
Cash and cash equivalents	8	154.02
Other bank balances	9	8.50
Other financial assets	10	500.90
Other assets	12	155.09
<b>Total current assets</b>		<b>2,061.72</b>
<b>Total assets</b>		<b>4,485.95</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	13	198.26
Other equity	14	121.24
<b>Equity attributable to shareholders of the Company</b>		<b>319.50</b>
<b>Total equity</b>		<b>319.50</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Borrowings	15	1,160.66
Lease liabilities	31	640.94
Other financial liabilities	17	226.11
Provisions	18	95.05
<b>Total non-current liabilities</b>		<b>2,122.76</b>
<b>Current liabilities</b>		
Financial liabilities		
Borrowings	15	619.12
Lease liabilities	31	308.99
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	16	3.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	16	926.52
Other financial liabilities	17	147.61
Provisions	18	8.98
Other current liabilities	19	28.82
<b>Total current liabilities</b>		<b>2,043.69</b>
<b>Total liabilities</b>		<b>4,166.45</b>
<b>Total equity and liabilities</b>		<b>4,485.95</b>
Summary of Significant accounting policies	2.3	

The accompanying notes are an integral part of the Special Purpose Interim Consolidated Financial Statements.

As per our report of even date attached:

**For B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W/W-100024

*For and on behalf of the Board of Directors of*  
**Spoton Logistics Private Limited**  
UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
Partner  
Membership No. 076806  
Place: Bengaluru  
Date: 31 October 2021

**Ajith Pai Mangalore**  
Director  
DIN: 07168138  
Place: Bengaluru  
Date: 31 October 2021

**Abhik Mitra**  
Director  
DIN: 00337465  
Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
Chief Financial Officer  
Place: Bengaluru  
Date: 31 October 2021

**Pavithra P**  
Company Secretary  
Place: Bengaluru  
Date: 31 October 2021

**Spoton Logistics Private Limited**  
**Special Purpose Interim Consolidated Statement of Profit and Loss**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	Notes	For the period ended 30 June 2021
Revenue from operations	20	1,902.43
Other income	21	0.60
<b>Total income (I)</b>		<b>1,903.03</b>
<b>Expenses</b>		
Freight, handling and servicing cost	22	1,384.33
Employee benefits expense	23	226.51
Finance costs	24	174.98
Depreciation and amortization expense	25	189.51
Other expenses	26	145.25
<b>Total expenses (II)</b>		<b>2,120.58</b>
<b>Loss before tax (III= I-II)</b>		<b>(217.55)</b>
Tax expense, comprising:		
Current tax		12.96
Deferred tax	6	(61.85)
<b>Total tax expense (IV)</b>		<b>(48.89)</b>
<b>Loss for the period (V= III-IV)</b>		<b>(168.66)</b>
<b>Other comprehensive income:</b>		
<b>(a) Items that will not be reclassified to profit or loss in subsequent periods:</b>		
(i) Re-measurement loss on defined benefit plans		4.96
(ii) Income tax relating to items that will not be re-classified to profit or loss		(1.73)
<b>Other comprehensive loss for the period</b>		<b>3.23</b>
<b>Total comprehensive loss for the period</b>		<b>(171.89)</b>
<b>Loss for the period</b>		
Attributable to:		
Shareholders of the Holding Company		(170.20)
Non-controlling interest		1.54
		<b>(168.66)</b>
<b>Other comprehensive loss for the period</b>		
Attributable to:		
Shareholders of the Holding Company		(3.23)
Non-controlling interest		-
		<b>(3.23)</b>
<b>Total comprehensive loss for the period</b>		
Attributable to:		
Shareholders of the Holding Company		(173.43)
Non-controlling interest		1.54
		<b>(171.89)</b>
<b>Loss per equity share</b>		
- Basic earnings per share (INR)	27	(8.58)
- Diluted earnings per share (INR)	27	(8.58)

Summary of Significant accounting policies 2.3

The accompanying notes are an integral part of the Special Purpose Interim Consolidated Financial Statements.

As per our report of even date attached:

*For B S R & Associates LLP*  
Chartered Accountants  
Firm registration number: 116231W/W-100024

*For and on behalf of the Board of Directors of*  
**Spoton Logistics Private Limited**  
UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
Partner  
Membership No. 076806

**Ajith Pai Mangalore**  
Director  
DIN: 07168138

**Abhik Mitra**  
Director  
DIN: 00337465

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
Chief Financial Officer

**Pavithra P**  
Company Secretary

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

**Spoton Logistics Private Limited**  
**Special Purpose Interim Consolidated Statement of Cash Flows**  
*(All amount in INR Millions unless otherwise stated)*

Particulars	For the period ended 30 June 2021
<b>Cash flows from operating activities</b>	
Loss before tax	(217.55)
<b>Adjustments to reconcile loss before tax to net cash flows:</b>	
Depreciation of property, plant and equipment	23.09
Amortization of intangible assets (including goodwill)	68.91
Bad debts written off	0.26
Depreciation of right-of-use assets	97.51
Interest income on unwinding of discount on security deposits paid	(0.60)
Allowance for bad and doubtful debts, net	13.51
Employee stock option expenses	4.73
Interest expense	174.98
<b>Operating Profit</b>	<b>164.84</b>
<b>Net change in :</b>	
Trade receivables	535.79
Other financial assets	(30.29)
Other assets	62.09
Other liabilities	(12.61)
Financial liabilities	(5.59)
Provisions	4.53
Trade payables	(441.94)
<b>Cash generated from operations</b>	<b>276.82</b>
Income taxes paid (net)	(36.39)
<b>Net cash generated from operating activities (A)</b>	<b>240.43</b>
<b>Investing activities</b>	
Purchase of property, plant & equipment (including capital creditors and capital advances)	(47.43)
Investments in bank deposits (having original maturity of less than 12 months)	(1.63)
Interest received	0.27
<b>Net cash flows used in investing activities (B)</b>	<b>(48.79)</b>
<b>Financing activities</b>	
Repayment of borrowings	(118.00)
Payment of principal portion of lease liabilities	(93.24)
Payment of interest portion of lease liabilities	(18.43)
Interest paid	(45.20)
<b>Net cash flows used in financing activities (C)</b>	<b>(274.87)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(83.25)</b>
Cash and cash equivalents at the beginning of the period	237.27
<b>Cash and cash equivalents at end of the period (refer note 8)</b>	<b>154.02</b>

**Change in liabilities arising from financing activities:**

Particulars	Opening balance 1 April 2021	Cash flows	Non cash changes	Closing balance 30 June 2021
Borrowings	1,786.71	(118.00)	(111.07)	1,779.78
Lease liabilities	967.60	(111.68)	(94.01)	949.93

Summary of Significant accounting policies (refer Note 2.3)

The accompanying notes are an integral part of the Special Purpose Interim Consolidated Financial Statements.

As per our report of even date attached:

For **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W/W-100024

For and on behalf of the Board of Directors of  
**Spoton Logistics Private Limited**  
UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
Partner  
Membership No. 076806

**Ajith Pai Mangalore**  
Director  
DIN: 07168138

**Abhik Mitra**  
Director  
DIN: 00337465

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
Chief Financial Officer

**Pavithra P**  
Company Secretary

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021



**Spoton Logistics Private Limited**  
**Special Purpose Interim Consolidated Statement of Changes in Equity**  
*(All amount in INR Millions unless otherwise stated)*

**a. Equity share capital**

Particulars	As at 30 June 2021	
	Number	Amount
At the beginning of the period	19,825,558	198.26
Outstanding at the end of the period	19,825,558	198.26

**b. Other equity**

Particulars	Securities Premium	Retained earnings	NCI reserves	Employee stockoption outstanding account	Total
As at 1 April 2021	1,329.69	(920.23)	(195.03)	73.97	288.40
Loss for the period	-	(170.20)	-	-	(170.20)
<b>Other comprehensive income</b>					
Re-measurement gain on defined benefit obligation (net of tax)	-	(3.23)	-	-	(3.23)
<b>Total other comprehensive income</b>	-	(173.43)	-	-	(173.43)
Employee stock option expenses	-	-	-	4.73	4.73
Valuation impact on NCI liability	-	-	1.54	-	1.54
<b>As at 30 June 2021</b>	<b>1,329.69</b>	<b>(1,093.66)</b>	<b>(193.49)</b>	<b>78.70</b>	<b>121.24</b>

Loss of INR 3.23 million on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the period ended 30 June 2021.

Summary of Significant accounting policies (refer note 2.3)

The accompanying notes are an integral part of the Special Purpose Interim Consolidated Financial Statements.

As per our report of even date attached:

for **B S R & Associates LLP**  
Chartered Accountants  
Firm registration number: 116231W/W-100024

for and on behalf of the Board of Directors of  
**Spoton Logistics Private Limited**  
UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
Partner  
Membership No. 076806

Place: Bengaluru  
Date: 31 October 2021

**Ajith Pai Mangalore**  
Director  
DIN: 07168138

Place: Bengaluru  
Date: 31 October 2021

**Abhik Mitra**  
Director  
DIN: 00337465

Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
Chief Financial Officer

Place: Bengaluru  
Date: 31 October 2021

**Pavithra P**  
Company Secretary

Place: Bengaluru  
Date: 31 October 2021

## **1. Group overview**

Spoton Logistics Private Limited (“the Holding Company”) was incorporated on 17 November 2011 as Private Limited Company under Companies Act, 1956.

During the year 2011-12, the Holding Company entered into an Asset Transfer agreement dated 9 December 2011 with TNT India Private Limited (“TNT”), where in TNT agreed to sell and transfer identified assets, customer and vendor contracts in relation to domestic road business and identified employees.

During the 2018-19, the Holding Company entered into scheme of arrangement (“the Scheme”) for amalgamation with Vankatesh Pharma Private Limited (“VPPL”). The scheme of arrangement was duly approved by the National Company Law Tribunal of Ahmedabad on 27 November 2019 under provision of the Companies Act 2013, and the certified true copy of the Scheme was filed with the Registrar of Companies.

The Holding Company has a subsidiary, namely Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited), (“the Subsidiary”) which carries on the business of transportation of goods and warehouse management services.

The Holding Company and its subsidiary (collectively referred to as “the Group”) is engaged in the domestic road business i.e. transportation freight through surface transport within the territory of India. The Group has recently entered into Air business i.e. transportation of goods/consignments through Air. On 29 June 2019 the Holding Company has changed its registered office from Bengaluru, Karnataka to Ahmedabad, Gujarat.

Further, subsequent to 30 June 2021, a Share Purchase Agreement dated 29 July 2021, as amended by Amendment Agreement executed on 19 August 2021, was executed amongst the, Delhivery Private Limited (“Acquirer”) and M/s Samara Alternate Investment Fund, M/s Samara Capital Partners Fund II Limited, M/s Virginia Tech Foundation Inc., M/s Xponentia Opportunities Fund-I and Xponentia Fund Patners LLP (pursuant to this transaction, Delivery became the holding company of the Company). The Board of Directors of the Holding Company approved on 24 August 2021 and took on record the transfer of 19,825,558 fully paid-up equity shares of face value Rs. 10 each of the Holding Company, collectively held by the Sellers, free and clear of all encumbrances of any nature. The effective date of acquisition is 24 August 2021. Also, refer to note 40 (a).

The Special Purpose Interim Consolidated Financial Statements were authorized for issue in accordance with a resolution of the Holding Company’s Board of Directors on 31 October 2021.

## **2. Basis of preparation and principles of consolidation**

### **2.1 Basis of preparation**

These Special Purpose Interim Consolidated Financial Statements pertain to the period from 1 April 2021 to 30 June 2021 (“the period”) have been prepared in accordance with the measurement and recognition principles of Indian Accounting Standard (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). However, these Special Purpose Interim Consolidated Financial Statements do not include certain disclosures which would have otherwise been required for General Purpose Interim Consolidated Financial Statements. These Special Purpose Interim Consolidated Financial Statements omit disclosures such as comparative information and certain other disclosures as envisaged under Ind AS and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

## **2. Basis of preparation and principles of consolidation (continued)**

### **2.1 Basis of preparation (continued)**

As stated in note 1, the Group has been acquired by Delhivery Limited (“Issuer Company”). Delhivery Limited is in the process of filing the Initial public offering documents with Securities and Exchange Board of India (“SEBI”). The Special Purpose Interim Consolidated Financial Statements of the Group have been prepared for the purpose of preparation of Proforma financial statements by the Issuer Company which will be included in Initial public offering documents pursuant to the requirements of Issue of Capital and Disclosure Requirements, 2018 as amended.

These Special Purpose interim Consolidated Financial Statements are not the statutory financial statements of the Group. As a result, these Special Purpose Interim Consolidated Financial Statements may not be suitable for any purpose other than those stated above.

#### **i. Functional and Presentation currency**

The Special Purpose Interim Consolidated Financial Statements are presented in Indian Rupees and all amounts disclosed in the Special Purpose Interim Consolidated Financial Statements and notes have been rounded off to the nearest million (as per the requirement of Schedule III), unless otherwise stated.

#### **ii. Basis of measurement**

The Special Purpose Interim Consolidated Financial Statements have been prepared on the historical cost basis except for the following items:

<b>Items</b>	<b>Measurement basis</b>
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

#### **iii. Current versus non-current classification**

The Group presents assets and liabilities in the special purpose interim consolidated balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- 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:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- 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.

**2. Basis of preparation and principles of consolidation (continued)**

**2.1 Basis of preparation (continued)**

**i. Current versus non-current classification (continued)**

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.

Refer Note 28 for Significant accounting judgements, estimates and assumptions.

**2.2 Basis of consolidation**

**Subsidiary**

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 Group 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 of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Special Purpose Interim Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

**Consolidation procedures:**

- (i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its Subsidiary. For this purpose, income and expenses of the Subsidiary are based on the amounts of the assets and liabilities recognised in the Special Purpose Interim Consolidated Financial Statements at the acquisition date.
- (ii) Offset (eliminate) the carrying amount of the Holding Company's investment in the Subsidiary and the Holding Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (iii) Eliminate in full intracompany assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group [profits or losses resulting from intracompany transactions that are recognised in assets (if any) are eliminated in full]. Intracompany losses may indicate an impairment that requires recognition in the Special Purpose Interim Consolidated Financial Statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intracompany transactions.

**2. Basis of preparation and principles of consolidation (continued)**

**2.2 Basis of consolidation (continued)**

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of Subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-company 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:

- i. Derecognises the assets (including goodwill) and liabilities of the Subsidiary;
- ii. Derecognises the carrying amount of any non-controlling interests;
- iii. Derecognises the cumulative translation differences recorded in equity;
- iv. Recognises the fair value of the consideration received;
- v. Recognises the fair value of any investment retained;
- vi. Recognises any surplus or deficit in profit or loss; and
- vii. Reclassifies the Holding Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

The Subsidiary considered in the Special Purpose Interim Consolidated Financial Statements is listed below:

<b>Name of the Company</b>	<b>Country of incorporation</b>	<b>Relationship</b>	<b>Percentage of holding</b>
Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited)	India	Subsidiary (refer note below)	65%

**Note:** Acquired w.e.f. 1 December 2019.

**2. Basis of preparation and principles of consolidation (continued)**

**2.3. Summary of significant accounting policies**

**i. Foreign currency 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 Group uses an average rate if the average approximates the actual rate 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 balance sheet date.

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).

**ii. Property, Plant and Equipment (PPE)**

**a. Recognition and Measurement**

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and nonrefundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in Special Purpose Interim Consolidated statement profit or loss.

**b. Subsequent expenditure**

Subsequent expenditure is capitalised only if its probable that the future economic benefits associated with the expenditure will flow to the Group.

2. Basis of preparation and principles of consolidation (continued)  
2.3. Summary of significant accounting policies (continued)

ii. Property, Plant and Equipment (PPE) (continued)

a. Depreciation

Depreciation on all property plant and equipment are provided on a written-down value method based on the estimated useful life of the asset, which is as follows:

Property, plant and equipment	Useful lives estimated by the management	Useful lives as per Schedule II
Buildings	30 years	30 years
Furniture and fittings	10 years	10 years
Office Equipments	5 years	5 years
Electrical Installations and Equipments	10 years	10 years
Computers	3 years	3 years
Plant and Machinery	15 years	15 years
Vehicles	8 years	8 and 10 years

Leasehold improvements are amortised over the lease term or useful lives of assets, whichever is less.

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 period end and adjusted prospectively, if appropriate.

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any.

Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The depreciation method applied to an asset shall be reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method shall be changed to reflect the changed pattern. Such a change shall be accounted for as a change in an accounting estimate in accordance with Ind AS 8.

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 special purpose interim consolidated statement of profit and loss when the asset is derecognised.

**2. Basis of preparation and principles of consolidation (continued)**

**2.3. Summary of significant accounting policies (continued)**

**iii. Intangible assets**

Intangible assets (mainly includes softwares) 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 special purpose interim consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

IT Softwares are to be depreciated 5 years as its useful life.

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 special purpose interim consolidated statement of profit or loss when the asset is derecognised.

**iv. Business Combinations and Goodwill**

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2020. As such, Indian GAAP (Previous GAAP, applied till 31 March 2020) balances relating to business combinations entered into before that date, including Goodwill, have been carried forward.

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.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions (measured initially at their fair values at the acquisition date). The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

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.



**2. Basis of preparation and principles of consolidation (continued)**

**2.3. Summary of significant accounting policies (continued)**

**iv. Business Combinations and Goodwill**

The excess of the

- consideration transferred;
- amount of any non-controlling interest in the acquired entity, and
- 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's 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 Group'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 profit or loss. Contingent consideration that is classified as equity is not remeasured at subsequent balance sheet 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 profit or loss or other comprehensive income, as appropriate.

**v. Non-controlling interest (Call and Put option)**

The NCI equity shareholders have NCI's right to sell (put option) and the Holding Company also has the right to purchase (call option) the shares which is subject to certain terms and conditions specified in the share subscription agreement. The Call Option and Put Option are collectively referred as the "Options" and met the criteria to be classified as liability in the Special Purpose Interim Consolidated financial statements. NCI continues to receive an allocation of profit or loss.

**2. Basis of preparation and principles of consolidation (continued)**

**2.3. Summary of significant accounting policies (continued)**

**vi. Lease**

**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 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 lease term.

**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.

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 and lease of low value assets**

The Group has elected not to recognise right of-use assets and lease liabilities for leases of low value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**2. Basis of preparation and principles of consolidation (continued)**

**2.3. Summary of significant accounting policies (continued)**

**vii. Revenue from contracts with customers**

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 customer. A 5-step approach is used to recognise revenue as below:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligation in contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

**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.

**Transportation services**

Revenue is recognized for these performance obligations as they are satisfied over the contract term, which generally represents the transit period including the incomplete trips at the balance sheet date. The transit period can vary based upon the method of transport, generally a couple days for over the road, rail, and air transportation.

**Other allied services**

Revenue from renting of warehouse and end to end 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, in accordance with the amount fixed as per the agreements.

The Group collects Goods & Service Tax (GST) on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Revenue from sale of unclaimed goods are recognised as and when the unclaimed goods are sold as per the Group's policy.

**Contract balances**

The policy for Contract balances i.e. contract assets, trade receivables and contract liabilities is as follows:

**2. Basis of preparation and principles of consolidation (continued)**

**2.3. Summary of significant accounting policies (continued)**

**vii. Revenue from contracts with customers (continued)**

**Contract assets**

A contract asset is the right to receive consideration in exchange for services already transferred to the customer (which consist of unbilled receivable). 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.

**viii. Other income**

**Dividend**

Dividend income is recognized when the Group's right to receive dividend is established by the balance sheet 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.

**ix. Employee benefits**

**i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

**ii. Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards employee Provident Fund and Employee State Insurance to Government administered provident fund scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the Special Purpose Interim Consolidated Statement of profit and loss during the period in which the employee renders the related service.

**2. Basis of preparation and principles of consolidation (continued)**

**2.3. Summary of significant accounting policies (continued)**

**ix. Employee benefits (continued)**

**iii. Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

**Gratuity**

The Group's gratuity benefit scheme are defined benefit plans. The Group's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method as at the balance sheet date. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**2. Basis of preparation and principles of consolidation (continued)**

**2.3. Summary of significant accounting policies (continued)**

**ix. Employee benefits (continued)**

**iv. Other employee benefits**

**Compensated absences**

The employees can carry-forward a portion of the unutilized accumulating compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment. The Group records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Group measures the expected cost of compensated absence as the additional amount that the Group expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date. The Group recognizes accumulated compensated absences based on independent actuary using the projected unit credit method as at the balance sheet date. The Group recognizes actuarial gains and losses immediately in the Special Purpose Interim Consolidated statement of profit or loss. The Group, in case of non accumulating compensated absences are recognized in the period in which the absences occur.

**v. Share based payment transactions**

**Equity-Settled transactions**

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 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 balance sheet 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 special purpose interim consolidated statement of profit and loss expense or credit 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.

## 2. Basis of preparation and principles of consolidation (continued)

### 2.3. Summary of significant accounting policies (continued)

#### ix. Employee benefits (continued)

#### v. Share based payment transactions (continued)

##### Equity-Settled transactions (continued)

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 Group or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

#### x. Taxes

##### Current 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 balance sheet date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or 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 periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and its intended to realise the assets and settle the liabilities on a net basis or simultaneously.

## **2. Basis of preparation and principles of consolidation (continued)**

### **2.3. Summary of significant accounting policies (continued)**

#### **x. Taxes (continued)**

##### **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 balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- a. 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 or loss.
- b. In respect of taxable temporary differences associated with investments in subsidiary, 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:

- a. 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 or loss,
- b. In respect of deductible temporary differences associated with investments in subsidiary, 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 balance sheet 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 balance sheet 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 balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or 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.

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.



## **2. Basis of preparation and principles of consolidation (continued)**

### **2.3. Summary of significant accounting policies (continued)**

#### **xi. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or 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.

#### **xii. 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 special purpose interim 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 Liability**

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.

#### **xiii. Measurement of fair value**

The Group measures 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:

- a. In the principal market for the asset or liability, or
- b. In the absence of a principal market, in the most advantageous market for the asset or liability.

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.

## **2. Basis of preparation and principles of consolidation (continued)**

### **2.3. Summary of significant accounting policies (continued)**

#### **xiii. Measurement of fair value (continued)**

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 minimizing the use of unobservable inputs.

The Group has fair valued the following instruments in the special purpose interim consolidated financial statements –

- a. Non-controlling interest (classified as liability due to put option with the other party)
- b. 13% Debentures having prepayment options with both the parties under the agreement, post year end pursuant to the terms of the agreement, the Group exercised its option and redeemed the debentures along with premium as per mutual agreement between the parties and same has been fair valued as per effective interest rate accounting.

#### **Fair value hierarchy**

All assets and liabilities for which fair value is measured or disclosed in the Special Purpose Interim 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:

- a. Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- b. Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- c. 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 Special Purpose Interim 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.

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 balance sheet date, 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 are analysed. 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.

## 2. Basis of preparation and principles of consolidation (continued)

### 2.3. Summary of significant accounting policies (continued)

#### Fair value hierarchy (continued)

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.

#### xiv. 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.

##### A. Financial assets

###### (i) 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 or loss, transaction costs that are attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. 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.

The Group has 13% debentures outstanding which contains prepayment options which are exercisable upon certain events and post year end as a result of change in control, the debentures were repaid. Also, for details on change in control refer section on “group overview”. The embedded derivative feature embedded in the debenture contract does not meet the criteria for separation from the host contract and hence not been separated.

###### (ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

1. Financial assets carried at amortised cost; or
2. Financial assets at fair value through profit or loss (FVTPL).

###### (iii) Financial assets at amortised cost

A ‘financial asset’ is measured at the amortised cost if both the following conditions are met:

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## 2. Basis of preparation and principles of consolidation (continued)

### 2.3. Summary of significant accounting policies (continued)

#### xiv. Financial instruments (continued)

##### A. Financial assets (continued)

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 or loss. Financial assets are not reclassified subsequently to their initial recognition, except if and if in the period the Group changes its business model for managing financial assets

##### (iv) 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 Special Purpose Interim Consolidated statement of profit and loss.

##### (v) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (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.

## **2. Basis of preparation and principles of consolidation (continued)**

### **2.3. Summary of significant accounting policies (continued)**

#### **xiv. Financial instruments (continued)**

##### **(vi) 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 balance sheet 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 Group expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Group 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 Group 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 balance sheet date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

In case any balance is disputed by the customer then it will be reviewed separately for creating the provision and amount up to 100% of the balance may be provided on the basis of nature of dispute. Any disputed balance which is considered separately will be excluded from the normal ageing bucket for making the provision.

## 2. Basis of preparation and principles of consolidation (continued)

### 2.3. Summary of significant accounting policies (continued)

#### xiv. Financial instruments (continued)

##### A. Financial assets (continued)

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the special purpose interim consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the special purpose interim consolidated statement of profit and loss. The special purpose interim 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 special purpose interim 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.

##### B. Financial liabilities

###### (i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or 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 debenture, trade and other payables, loans and borrowings including bank overdrafts.

###### (ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- i. Financial liabilities at fair value through profit or loss - Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as 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 profit or loss.

## 2. Basis of preparation and principles of consolidation (continued)

### 2.3. Summary of significant accounting policies (continued)

#### xiv. Financial instruments (continued)

##### B. Financial liabilities (continued)

Financial liabilities designated upon initial recognition at fair value through profit or 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/ loss are not subsequently transferred to special purpose interim consolidated statement of profit or loss. 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 special purpose interim consolidated statement of profit or loss.

ii. 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 special purpose interim consolidated statement of profit and loss. This category generally applies to borrowings.

##### (iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

##### (iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the special purpose interim consolidated 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.

#### xv. Impairment of non-financial assets

The Group assesses, at each balance sheet 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.

## **2. Basis of preparation and principles of consolidation (continued)**

### **2.3. Summary of significant accounting policies (continued)**

#### **xv. Impairment of non-financial assets (continued)**

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 special purpose interim consolidated statement of profit and loss.

For assets excluding goodwill, an assessment is made at each balance sheet 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 special purpose interim consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

#### **xvi. 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 the Group incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the cost of asset.



## **2. Basis of preparation and principles of consolidation (continued)**

### **2.3. Summary of significant accounting policies (continued)**

#### **xvii. Cash and cash equivalents**

Cash and cash equivalent in the special purpose interim 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 Special Purpose Interim Consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits with an original maturity of three months or less, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

#### **xviii. Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The Special Purpose Interim Consolidated financial statements are adjusted for such events before authorisation for issue.

Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the balance sheet date are not accounted but disclosed.

#### **xix. 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.

**Spoton Logistics Private Limited**  
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**3. Property, plant and equipment**

<b>Particulars</b>	<b>Leasehold improvements</b>	<b>Buildings</b>	<b>Furniture &amp; fittings</b>	<b>Office Equipments</b>	<b>Electrical installations and equipments</b>	<b>Computers</b>	<b>Plant &amp; machinery</b>	<b>Motor vehicles</b>	<b>Total</b>
<b>At cost</b>									
<b>Gross block</b>									
<b>At 1 April 2021</b>	<b>116.19</b>	<b>2.76</b>	<b>35.81</b>	<b>99.37</b>	<b>16.41</b>	<b>187.57</b>	<b>80.86</b>	<b>3.78</b>	<b>542.75</b>
Additions	6.51	-	0.53	8.22	-	2.70	1.83	-	19.79
Disposals	-	-	-	-	-	-	-	-	-
<b>At 30 June 2021</b>	<b>122.70</b>	<b>2.76</b>	<b>36.34</b>	<b>107.59</b>	<b>16.41</b>	<b>190.27</b>	<b>82.69</b>	<b>3.78</b>	<b>562.54</b>
<b>Accumulated depreciation</b>									
<b>At 1 April 2021</b>	<b>71.55</b>	<b>1.16</b>	<b>18.89</b>	<b>59.79</b>	<b>16.41</b>	<b>138.46</b>	<b>37.81</b>	<b>2.75</b>	<b>346.82</b>
Charge for the period (refer note 25)	3.78	0.03	1.70	4.34	-	7.49	5.67	0.08	23.09
Disposals	-	-	-	-	-	-	-	-	-
<b>At 30 June 2021</b>	<b>75.33</b>	<b>1.19</b>	<b>20.59</b>	<b>64.13</b>	<b>16.41</b>	<b>145.95</b>	<b>43.48</b>	<b>2.83</b>	<b>369.91</b>
<b>Net block</b>									
<b>At 30 June 2021</b>	<b>47.37</b>	<b>1.57</b>	<b>15.75</b>	<b>43.46</b>	<b>-</b>	<b>44.32</b>	<b>39.21</b>	<b>0.95</b>	<b>192.63</b>

**Spoton Logistics Private Limited**  
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**4. Intangible assets and Goodwill**

Particulars	Computer Software	Goodwill	Total
<b>At cost</b>			
<b>Gross block</b>			
At 1 April 2021	171.00	1,059.96	1,230.96
Additions	11.32	-	11.32
<b>At 30 June 2021</b>	<b>182.32</b>	<b>1,059.96</b>	<b>1,242.28</b>
<b>Accumulated amortisation</b>			
At 1 April 2021	110.88	252.81	363.69
Charge for the period (refer note 25)	3.05	65.86	68.91
<b>At 30 June 2021</b>	<b>113.93</b>	<b>318.67</b>	<b>432.60</b>
<b>Net block</b>			
At 30 June 2021	68.39	741.29	809.68

**Goodwill**

The carrying amount of Goodwill has been allocated as follows:-

	As at 30 June 2021
Goodwill on Business combination * (refer to note 39)	562.34
Goodwill -Spoton Supply chain Logistics Private Limited**	178.95
<b>Carrying value</b>	<b>741.29</b>

\*Goodwill with carrying value of INR 562.34 million as on 30 June 2021 is related to Scheme of Arrangement between Vankatesh Pharma Private Limited and the Holding Company which is explained in note 39. Based on the accounting treatment specified in the National Company Law Tribunal order, the Holding Company is amortising the goodwill over a period of 5 years and accordingly, the amortization charge for the period ended 30 June 2021 is INR 65.86 million.

Even though, as per Ind AS 103: Business Combinations, Goodwill arising on business combinations need to be carried at cost less impairment (under Ind AS 36: Impairment of assets), if any, the above treatment of amortizing Goodwill has been followed by the Group as mandated by the concerned Scheme approved by the relevant authorities.

\*\*The goodwill of Rs 178.95 million is related to Spoton Supply Chain Solutions Private Limited which is a subsidiary of Spoton Logistics Private Limited.

The Group performs test for goodwill impairment at least annually on 31 March, 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. The recoverable amount of the assets of the Group is determined based on a value in use calculation which uses cash flow projections covering nine year period. When determining the fair value, the Group's management has considered EBITDA margin of 6.4% to 13.9%, terminal growth rate of 6% and weighted average cost of capital of 16.5%, 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.

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**5. Intangible Asset under Development (IAUD)**

Particulars	Intangible assets under development
<b>At cost</b>	
<b>Gross block</b>	
At 1 April 2021	6.68
Additions	9.23
At 30 June 2021	<u>15.91</u>
<b>Accumulated amortisation</b>	
At 1 April 2021	-
Charge for the period	-
At 30 June 2021	<u>-</u>
<b>Net block</b>	
At 30 June 2021	15.91

**Intangible Asset under Development (IAUD) ageing schedule**

As at 30 June 2021

Particulars	Amount in IADU for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	15.91	-	-	-	15.91
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<u>15.91</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15.91</u>

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**6. Deferred tax**

**Amount recognised in Special Purpose Interim Consolidated Statement of Profit and Loss ( A ):**

	For the period ended 30 June 2021
<b>Current income tax:</b>	
Current tax	12.96
<b>Deferred tax:</b>	
Relating to origination and reversal of temporary differences	(61.85)
<b>Income tax expense reported in the Special Purpose Interim Consolidated Statement of Profit and Loss</b>	<b>(48.89)</b>

**Income tax recognised in Other Comprehensive Income ( B ) :**

Deferred tax relating to items in OCI in the period:

	For the period ended 30 June 2021
Deferred tax recognised on defined benefit plans	(1.73)
<b>Income tax credit to OCI</b>	<b>(1.73)</b>

**Reconciliation of effective tax rate ( C ) :**

	For the period ended 30 June 2021
<b>Accounting loss before income tax</b>	(217.55)
At India's statutory income tax rate of 25.17%	(54.76)
<b>Non-deductible expenses for tax purposes:</b>	
Change in tax rate	38.32
Effect of permanent differences	(25.29)
Others	(7.16)
<b>Total</b>	<b>(48.89)</b>
<b>Total tax expense as per Special Purpose Interim Consolidated Statement of profit and loss</b>	<b>(48.89)</b>

Spoton Logistics Private Limited  
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6. Deferred tax (continued)

Recognised deferred tax assets and liabilities ( D ):

Deferred tax relates to the following items:

	Special Purpose Interim Consolidated Balance sheet		Recognised in OCI	Special Purpose Interim Consolidated Statement of profit and loss
	As at 30 June 2021	As at 31 March 2021	For the period ended 30 June 2021	For the period ended 30 June 2021
<b>Deferred tax asset arising on account of :</b>				
Effect of gratuity, compensated absences and bonus	26.60	32.64	(1.73)	7.77
Effect of provision for doubtful debts	38.84	48.75	-	9.91
Effect of depreciation on property, plant and equipment	17.13	22.76	-	5.63
Effect of interest on borrowings	46.28	25.44	-	(20.84)
Effect of interest on leases	21.10	27.81	-	6.71
Effect of employee stock option plan	18.23	25.31	-	7.08
Effect of discounting of security deposit	3.46	3.33	-	(0.13)
<b>Deferred tax liabilities arising on account of :</b>				
Effect of Goodwill	(141.54)	(219.52)	-	(77.98)
	<b>30.10</b>	<b>(33.48)</b>	<b>(1.73)</b>	<b>(61.85)</b>

Reflected in the special purpose interim consolidated balance sheet as follows:

	As at 30 June 2021
Deferred tax assets	171.64
Deferred tax liabilities	(141.54)
<b>Deferred tax asset (net)</b>	<b>30.10</b>

Reconciliation of deferred tax asset (net):

	As at 30 June 2021	
<b>Opening balance</b>	<b>(33.48)</b>	
Tax reversal during the period recognised in profit or loss	61.85	
Tax expense during the period recognised in OCI	1.73	
<b>Closing balance of deferred tax asset (net)</b>	<b>30.10</b>	-

\* The Holding Company has opted for reduced corporate tax rate of 25.168% from 1 April 2021 onwards subject to adherence of conditions specified under Section 115 BAA of the Income Tax Act, 1961. The new reduced tax rate structure was an option which the Holding Company has adopted and cannot be reversed in the future.

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**7. Trade receivables**

Particulars	As at 30 June 2021
Trade receivables	1,243.21
<b>Total trade receivables</b>	<b>1,243.21</b>
<b>Break-up for above:</b>	
	<b>As at 30 June 2021</b>
<b>Trade receivables</b>	
Unsecured - considered good	1,243.21
Trade receivables – credit impaired	154.39
	<b>1,397.60</b>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>	
Trade receivables- credit impaired	(154.39)
	<b>(154.39)</b>
<b>Total Trade receivables</b>	<b>1,243.21</b>

The allowance for doubtful accounts as of 30 June 2021 and changes in the allowance for doubtful accounts during the period ended as of that date were as follows:

Particulars	As at 30 June, 2021
<b>Opening balance</b>	140.88
Add: Provision of trade receivables-credit impaired	13.51
Less: Write offs, net of recoveries	-
<b>Closing balance</b>	<b>154.39</b>

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days

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**7. Trade receivables (continued)**

The Group uses a provision matrix to determine impairment loss 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 forward-looking estimates are analysed. The Group estimates the following matrix at the reporting date:

<b>30 June 2021</b>	<b>0-3 months</b>	<b>3-6 months</b>	<b>6-9 months</b>	<b>9-12 months</b>	<b>More than 12 months</b>
Amount	1,025.35	229.29	52.24	19.09	71.16
Default rate	1%	9%	36%	96%	100%



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**8. Cash and cash equivalents**

Particulars	As at 30 June 2021
Balances with banks in current accounts	152.63
Cash on hand	1.39
	<u>154.02</u>

**9. Other bank balances**

Particulars	As at 30 June 2021
Balances with banks:	
- Fixed deposits with original maturity of less than 12 months	8.50
	<u>8.50</u>

**10. Other financial assets**

Particulars	As at 30 June 2021
<b>Unsecured, considered good</b>	
Contract Assets	411.21
Security deposits	229.31
Deposits with original maturity for more than 12 months*	1.27
Advances to employees	1.63
Interest accrued on fixed deposits	0.13
Other receivables	9.74
	<u>653.29</u>
<b>Non-current</b>	
<b>Unsecured, considered good</b>	
Security deposits	151.12
Deposits with original maturity for more than 12 months*	1.27
<b>Total non-current financial assets</b>	<u>152.39</u>
<b>Current</b>	
<b>Unsecured, considered good</b>	
Contract assets	411.21
Interest accrued on fixed deposits	0.13
Advances to employees	1.63
Security deposits	78.19
Other receivables	9.74
<b>Total current financial assets</b>	<u>500.90</u>

\*Refers to margin money deposits against bank guarantee issued by banks, which are lien marked with various government authorities. These deposits cannot be withdrawn by the Group within 12 months from the balance sheet date.

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**11. Tax assets (net)**

Particulars	As at 30 June 2021
Advance tax, net of provision	297.28
	<u>297.28</u>

**12. Other assets**

Particulars	As at 30 June 2021
<b>Unsecured, considered good, unless stated otherwise</b>	
Capital advances	6.49
Prepaid expenses	134.79
Balance with statutory/government authorities	14.30
Advances to suppliers	20.33
	<u>175.91</u>
<b>Breakup of above:</b>	
<b>Non-Current</b>	
Capital advances	6.49
Prepaid expenses	0.04
Balance with government authorities	14.29
<b>Total non-current</b>	<u>20.82</u>
<b>Current</b>	
Advances to suppliers	20.33
Prepaid expenses	134.75
Balance with statutory/government authorities	0.01
<b>Total current</b>	<u>155.09</u>

**13. Share Capital**

**Authorised Share Capital**

Particulars	As at 30 June 2021
188,000,000 equity shares of INR 10 each*	1,880.00
	<u>1,880.00</u>

\* The authorised share capital of the Holding Company has been increased to Rs. 1,880,000,000 as per the Scheme of Arrangement.

**Issued, subscribed and fully paid-up equity shares**

19,825,558 equity shares of Rs. 10 each, fully paid-up	198.26
	<u>198.26</u>

**Terms and rights attached to the equity shares**

The Holding Company has only one class of shares referred to as equity shares having par value of Rs 10. All equity shares carry similar voting rights of 1:1 and similar dividend rights. In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Holding Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Holding Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting except interim dividend where approval of the Board of Directors is considered sufficient.

**Reconciliation of shares outstanding at the beginning and end of the reporting period**

Particulars	Number of shares	As at 30 June 2021
At the beginning of the period	19,825,558	198.26
At the end of the period	<u>19,825,558</u>	<u>198.26</u>

**List of persons holding more than 5% shares in the Company and shares held by the Holding Company of Spoton Logistics Private Limited**

Particulars	As at 30 June 2021	
Name of the shareholders	No. of shares	% holding
Samara Alternate Investment Fund	8,202,207	41.37%
Samara Capital Partners Fund II Limited	6,064,223	30.59%
Xponentia Opportunities Fund – I	3,485,874	17.58%
Xponentia Fund Partners LLP	1,470,515	7.42%

Note: Vankatesh Pharma Private Limited was the Holding Company up to 30 August 2018. Pursuant to the Scheme of Arrangement, the equity shares held by Vankatesh Pharma Private Limited in the Holding Company were cancelled and the Holding Company issued and allotted fully paid up equity shares of equal number to the equity shareholders of the Vankatesh Pharma Private Limited, whose name appeared in the Register of Members as on the effective date.

There was no equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

Refer note 30 for terms and disclosure in relation to employee stock option plan.

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**14. Other equity**

Particulars	As at 30 June 2021
<b>Securities Premium</b>	
Balance at the beginning of the period	1,329.69
Add: Premium received during the period	-
<b>Balance at the end of the period</b>	<b>(A) 1,329.69</b>
<b>Retained earnings</b>	
Balance at the beginning of the period	(920.23)
Add: Loss for the period	(170.20)
Add: Remeasurement loss on defined benefit obligation	(3.23)
<b>Balance at the end of the period</b>	<b>(B) (1,093.66)</b>
<b>Employee stock option outstanding account</b>	
Balance at the beginning of the period	73.97
Add: Options granted during the period	4.73
<b>Balance at the end of the period</b>	<b>(C) 78.70</b>
<b>NCI reserves</b>	
Balance at the beginning of the period	(195.03)
Add: Change in NCI put liability	1.54
<b>Balance at the end of the period</b>	<b>(D) (193.49)</b>
<b>Total Reserve and Surplus</b>	<b>(E)= (A) + (B) + (C) + (D) 121.24</b>

**Nature and purpose of Reserves**

**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.

**Share options outstanding account**

The Group has two share option schemes under which options to subscribe for the Group's shares have been granted to certain executives and senior employees.

The share options outstanding account is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to note 30 for further details of these plans.

**Retained earnings**

Retained earnings are the profits/(loss) that the Group has earned/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 special purpose interim consolidated 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.

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**15. Borrowings**

Particulars	As at 30 June 2021
<b>Secured</b>	
Term loan from:	
- Banks (refer note ii below)	128.66
Loan repayable on demand from banks	
- Cash credit (refer note vi below)	36.55
- Working capital loans (refer note v below)	480.00
<b>Unsecured</b>	
Non convertible Debentures (refer note i below)	1,133.88
From banks	
- Credit cards/ Cash credit	0.69
	<u>1,779.78</u>
<b>Breakup of the above:</b>	
<b>Long term borrowings</b>	
Non convertible Debentures (refer note i below)	1,133.88
Term loan from:	
- Banks	40.00
Less: Current maturities of long-term debt	(13.22)
<b>Total long term borrowings</b>	<u>1,160.66</u>
<b>Short term borrowings</b>	
Term loan from:	
- Banks	88.66
Loan repayable on demand from banks (refer note vi below)	
- Cash credit	36.55
- Working capital loans	480.00
- Credit cards/ Cash credit	0.69
	<u>605.90</u>
Add: Current maturities of long-term debt (refer above)	13.22
	<u>619.12</u>

**Notes:**

**(i) Terms of repayment of Senior, Secured, Unrated, Unlisted, Non-Convertible Debentures ("NCDs") along with rate of interest on loan and nature of security**

The Holding Company issued, subscribed and allotted 950, 13% non-convertible debentures of Rs. 1,000,000 each on a private placement basis. The NCDs redemption is on quarterly basis after the principal moratorium period of 30 months from the date of first disbursement. The repayment schedule covers 1st year: 0%, 2nd year: 0%, 3rd year: 10%, 4th year: 30%, 5th year:40% and 6th year: 20%. The coupon rate is 13% p.a compounded monthly payable quarterly.

The facility is secured by:

- a) 97% share pledge of the Issuer.
- b) Non-Disposal Undertaking over 3% of the Issuer shares held by Virginia Tech Foundation along with a suitable Drag Along Rights.
- c) Non Disposal Undertaking over 31% shares of the Issuer along with suitable Drag Along Rights to the Investor as Interim Security until the creation of pledge over these shares.
- d) Non-Disposal Undertaking ("NDU") on Issuer's entire shareholding at all points of time during this transaction Tenor (65% currently) in Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited).
- e) First pari-passu charge on tangible fixed assets (present and future) of the Issuer.
- f) Second charge on the current assets (present and future) of the Issuer.
- g) Charge on the Debt Service Reserve Account ("DSRA")

Also refer to note 40 (b).

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**15. Borrowings (continued)**

**(ii) Terms of repayment of secured loan from banks along with rate of interest on loan and nature of security**

**1) HDFC Bank:**

Working Capital term loan amounts to Rs. 81.27 million (previous year: Rs. 88.66 million) was sanctioned to the Holding company pursuant to the "Emergency Credit line Guaranteed Scheme" (ECLGS) of Government of India. The loan is to be repaid in 48 equal monthly installment of Rs.1.85 million each after moratorium period of 12 months from the date of disbursement. The repayment of loan will begin from 07 March 2021. 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 favor of the Bank.

The entire amount has been classified under short term borrowings due to non compliance of the bank loan covenants.

**2) Axis Bank:**

Term loan amounting to Rs. 40 million disclosed under long -term borrowings. Pursuant to "Emergency Credit line Guaranteed Scheme" (ECLGS) of Government of India, the bank sanctioned working capital term loan to the Holding Company. The loan was to be repaid in 47 equal monthly installment of Rs.8.33 million each after moratorium period of 12 months from the date of disbursement and the last installment is Rs. 8.33 million. The repayment of loan will begin 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 Holding Company, both present and future.

**(iii) The Holding Company's loan facilities with Banks have the following covenants:**

<b>Covenants</b>	<b>Lender</b>	<b>Financial year 2020-21</b>
i) Adjusted total net worth	HDFC Bank	> 800 million*
ii) Total liabilities/Total Net worth		< 3x
iii) Interest coverage ratio		> 5x
iv) Total Debt/EBITDA	Axis Bank	< or equal to 3.0x
v) Tangible net worth		Positive

The financial covenants mentioned in (ii) & (iii) above had not been complied with for financial year 2021. 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 Holding Company. Basis, the breach of covenant which has not been cured before the special purpose interim consolidated financial statements have been approved, the working capital term loan from HDFC bank has been classified as current borrowings.

\* Adjusted total net worth criteria complied with for the financial year 2020-21.

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**15. Borrowings (continued)**

(iv) The Subsidiary Company's loan facilities with Banks have the following covenants:

Covenants	Lender	Financial year 2020-21
i) Adjusted total net worth	HDFC Bank	> 91 million
ii) Total liabilities/Total Net worth		< =1.6x

Short term borrowings from the banks are secured by:

- Charge on present and future current assets and movable fixed assets of the Subsidiary.
- Letter of comfort by the Holding Company.

The financial covenants mentioned in (i) and (ii) above were not complied by the Subsidiary in the financial year 2021. However in view of the ongoing relationship with the lending banks, the Group's management believes that this non-compliance will not result in levy of penalty on the Subsidiary.

(v) Terms of secured short term borrowings from banks:

Cash credit and Working capital demand loans carry interest ranging between 7.60% to 9.65% per annum computed on a monthly basis on the actual amount utilised, and are repayable on demand.

**16. Trade payables**

Particulars	As at 30 June 2021
Total outstanding dues of micro enterprises and small enterprises (refer note 34)	3.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	926.52
	<u><u>930.17</u></u>

Trade payables are non-interest bearing and are normally settled on 0-60 days terms.

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**17. Other financial liabilities**

Particulars	As at 30 June 2021
Security deposits	16.56
Capital creditors	4.61
Interest accrued but not due on borrowings	22.97
NCI liability	209.55
Payable to employees	77.80
Other payables	40.80
Payables to Directors*	1.43
<b>Total</b>	<b>373.72</b>

**Breakup of above:**

**Non- Current**

NCI liability	209.55
Security deposits	16.56
<b>Total</b>	<b>226.11</b>

**Current**

Capital creditors	4.61
Interest accrued but not due on borrowings	22.97
Payable to employees	77.80
Other payables	40.80
Payable to Directors	1.43
	<b>147.61</b>

\* Refer to related party note 32.

**18. Provision for employee benefits**

Particulars	As at 30 June 2021
Provisions for gratuity	85.00
Provisions for compensated absences	19.03
	<b>104.03</b>
<b>Breakup of above-</b>	
<b>Non-current</b>	
Provisions for gratuity	79.68
Provisions for compensated absences	15.37
	<b>95.05</b>
<b>Current</b>	
Provisions for gratuity	5.32
Provisions for compensated absences	3.66
	<b>8.98</b>

**19. Other current liabilities**

Particulars	As at 30 June 2021
Statutory liabilities	28.82
	<b>28.82</b>



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**20. Revenue from operations**

Particulars	For the period ended 30 June 2021
<b>Sale of services</b>	
Revenue from freight	1,874.25
Revenue from warehouse management services	25.26
	<u>1,899.51</u>
<b>Other Operating Income</b>	
Income from sale of unclaimed items	2.92
	<u>1,902.43</u>

**A. Disaggregated revenue information**

In the following table, revenue from contract with customers disaggregated by primary geographical market:

**(i) Revenue from contract with customers**

Particulars	For the period ended 30 June 2021
- India	1,899.51
- Rest of the world	-
<b>Total revenue from operations</b>	<u>1,899.51</u>

**(ii) Disaggregation by timing of revenue recognition**

Particulars	For the period ended 30 June 2021
Services rendered over time	1,874.25
Services rendered point in time	25.26
<b>Total</b>	<u>1,899.51</u>

**(iii) Contract balances**

The following table provides information about trade receivables and contract assets from customers:

Particulars	As at 30 June 2021
Trade receivables (Unconditional right to consideration)	1,243.21
Contract assets (refer note 1 below)	411.21

**B. Changes in contract assets are as follows:**

Particulars	As at 30 June 2021
Opening balance	404.67
Add: Contract assets created during the period	263.39
Less: Contract assets billed during the period	(256.85)
<b>Closing balance</b>	<u>411.21</u>

Note:

1. 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.

**21. Other income**

Particulars	For the period ended 30 June 2021
<b>Interest income on</b>	
- Unwinding of discount on security deposits paid	0.60
	<u>0.60</u>

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**22. Freight, handling and servicing cost**

Particulars	For the period ended 30 June 2021
Linehaul charges	883.62
Pick-up and delivery charges	465.13
Franchisee commission	12.57
Packing materials and consumables	7.59
Manpower and conveyance charges	5.66
Warehouse rental charges	6.24
Packing charges	3.52
	<u><u>1,384.33</u></u>

**23. Employee benefits expense**

Particulars	For the period ended 30 June 2021
Salaries, wages and allowances	191.86
Gratuity expense	4.47
Employee stock option expenses	4.73
Contribution to provident fund and other funds	12.26
Staff welfare expenses	13.19
	<u><u>226.51</u></u>

**24. Finance costs**

Particulars	For the period ended 30 June 2021
<b>Interest on</b>	
- Interest on current borrowings	11.89
- Interest on non current borrowings	2.41
- Interest on NCDs	142.18
- Interest on dues to micro and small enterprises	0.07
- Interest on lease liabilities	18.43
	<u><u>174.98</u></u>

**25. Depreciation and amortization expense**

Particulars	For the period ended 30 June 2021
Depreciation of property, plant and equipment	23.09
Amortization of Goodwill	65.86
Amortization of intangible assets	3.05
Depreciation of right-of-use assets (refer note 31)	97.51
	<u><u>189.51</u></u>

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**26. Other expenses**

Particulars	For the period ended 30 June 2021
Lease and hire charges	14.76
Rent (refer note 31)	19.56
Rates and taxes	0.20
Power and fuel	11.75
Office maintenance	13.18
Insurance	0.92
Repairs and maintenance	
- plant and machinery	0.45
- others	3.51
Legal and professional charges	15.16
Auditors' remuneration (refer to note 26.1)	0.52
Sub-contractor costs	8.67
Travelling and conveyance	3.29
Printing and stationery	2.42
Allowance for bad and doubtful debts, net	13.51
Information technology service cost	13.30
Postage and telephone	4.78
Bank charges	1.20
Bad debts written off	0.26
Security expenses	17.41
Sales and marketing expenses	0.40
	<u>145.25</u>

**26.1. Auditor's remuneration**

Particulars	For the period ended 30 June 2021
Statutory audit	0.50
Out of pocket expenses reimbursed	0.02
	<u>0.52</u>

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**27. Earnings per share**

Basic Earnings Per Share (EPS) and Diluted Earnings Per Share (EPS) amounts are calculated by dividing the loss for the period attributable to equity shareholders of the Holding Company by the weighted average number of Equity shares outstanding during the period.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the period ended 30 June 2021
Loss attributable to equity shareholders of the Holding Company	(170.20)
Number of equity shares at the beginning of the period	19,825,558
Number of weighted average equity shares considered for calculation of basic earnings per share	<b>19,825,558</b>
Number of shares to be issued upon exercise of ESOP	853,392
Weighted average number of equity shares in calculating diluted EPS	20,678,950
Face value of equity shares (INR)	10.00
<b>Earnings per share</b>	
Basic (INR)	(8.58)
Diluted (INR)	(8.58)

Note: Basic and diluted earnings per share are same as the effect of potential dilutive shares, which would be anti-dilutive, has not been considered.

## **28. Significant accounting judgements, estimates and assumptions**

The preparation of the Special Purpose Interim Consolidated 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 Special Purpose Interim Consolidated 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 period, are described below. The Group based its assumptions and estimates on parameters available when the Special Purpose Interim Consolidated 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.

#### **(i) Share-based payments:**

Employees of the Group 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 Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognized in the Special Purpose Interim Consolidated Statement of Profit and Loss for the period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

#### **(ii) 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 period.

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 29.

#### **(iii) Fair value measurement of financial instruments:**

When the fair values of financial assets and financial liabilities recorded in the Special Purpose Interim Consolidated Financial Statements 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.

#### **(iv) Lease:**

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.

#### **(v) Useful Life of property, plant and equipment:**

The useful life of the assets are determined in accordance with Schedule II of the Companies Act, 2013. In cases, where the useful life is different from that prescribed in Schedule II, it is based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement and anticipated technological changes.

**28. Significant accounting judgements, estimates and assumptions (continued)**

**(vi) Loss allowance on trade receivables:**

Provision for expected credit losses of trade receivables: The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on quarters 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 Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every balance sheet 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 Group's trade receivables is disclosed in Note 7. 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.

**(vii) Deferred Taxes:**

Deferred income 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 utilized. Deferred income tax liabilities are recognised for all taxable temporary differences.

**(viii) 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.

**(ix) Provisions and contingencies:**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

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**29. Gratuity plan**

**a) Defined Contribution Plans**

The Group makes contributions, determined as a specified percentage of employee salaries in respect of qualifying employees towards Provident Fund and state plans such as Employees' State Insurance (ESI), which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The Group contribution is recognised as an expense in the Special Purpose Interim Consolidated Statement of Profit and Loss during the period in which the employee renders the related services.

During the period, the Group has recognised the following amounts in the Special Purpose Interim Consolidated Statement of Profit and Loss, which are included in contribution to provident and other funds:

Particulars	For the period ended 30 June 2021
Provident Fund and Employee's Pension Scheme	10.59
Employees' State Insurance	1.67
	<u>12.26</u>

**b) Defined Benefit Plans**

The Group provides for gratuity, a defined benefit plan (the Gratuity Plan), to its employees. The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, of an amount based on the respective employee's last drawn salary and years of employment with the Group. The gratuity plan of the Group is non-funded.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

(i) Change in projected benefit obligations	30 June 2021
Opening defined benefit obligation	76.37
Interest cost	1.06
Current service cost	3.41
Benefits paid	(0.80)
Actuarial loss on obligation	4.96
<b>Closing defined benefit obligation</b>	<b><u>85.00</u></b>
Non-current	79.68
Current	5.32
<b>(ii) Reconciliation of present value of the obligation and the fair value of the plan assets:</b>	
Fair value of plan assets at the end of the period	-
Present value of the defined benefit obligations at the end of the period	85.00
<b>Liability recognised in the Special Purpose Interim Consolidated Balance Sheet</b>	<b><u>(85.00)</u></b>
<b>(iii) Expense recognised in the Special Purpose Interim Consolidated Statement of Profit and Loss</b>	<b>For the period ended 30 June 2021</b>
Current service cost	3.41
Interest cost	1.06
<b>Net gratuity cost</b>	<b><u>4.47</u></b>

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**29. Gratuity plan (continued)**

**(iv) Remeasurement gains/(losses) in other comprehensive income**

	<b>For the period ended 30 June 2021</b>
Actuarial Losses due to Demographic Assumption changes in DBO	4.85
Actuarial Losses from changes in financial assumptions	2.60
Experience adjustments	(2.49)
<b>Amount recognised in OCI during the period</b>	<b>4.96</b>

**(v) Actuarial assumptions**

	<b>30 June 2021</b>
Discount rate	6.31% to 7.18%
Salary growth rate	7% to 8%
Attrition rate	5% to 18%
Normal retirement age	60

**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 growth rate:** The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

**Attrition rate:** The estimate of future employee turnover.

**(vi) A quantitative sensitivity analysis for significant assumption as at 30 June 2021 is as shown below:**

<b>Particulars</b>	<b>30 June 2021</b>	
Sensitivity level	Discount rate increase by 1.00%	Discount rate decrease by 1.00%
Impact on defined benefit obligation	(6.77)	7.86
Sensitivity level	Future salary increase by 1.00%	Future salary decrease by 1.00%
Impact on defined benefit obligation	7.40	(6.49)
Sensitivity level	Attrition rates increase by 1.00%	Attrition rates decrease by 1.00%
Impact on defined benefit obligation	(1.12)	1.23
Sensitivity level	Mortality rates increase by 10%	Mortality rates decrease by 10%
Impact on defined benefit obligation	(0.09)	0.09

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.

**(vii) Maturity profile of the defined benefit obligation**

**Expected undiscounted cash flows over the next :**

	<b>30 June 2021</b>
<b>Year</b>	
0-2	9.92
2-5	11.93
Above 5	141.96



### 30. Share-based payments

#### Employee stock option plan 2013:

The Startrek Logistics Private Limited ESOP -2013 (now called as Spoton Logistics Private Limited) was approved by the Board of Directors of the Holding Company in June 2013 and by the shareholders in August 2013. The ESOP 2013 plan provides the maximum exercisable share into not more than 3% paid up capital to the employees. The plan is administered by a Board or a sub committee. The plan was revised and approved by the board of directors and shareholders of the Holding Company on 2 April 2019 and total number of Employee Stock Options to be granted under the Stock Option Scheme was increased to 9% of paid up capital. Options will be issued to employees of the Holding Company at an exercise price, which shall be determined and established of an equity share in the recent funding immediately preceding the date of grant or any other price not less than the face value of the shares as determined by the Board. The equity shares covered under these options would vest not more than five years from the date of grant of such options.

#### Employee stock option plan 2018:

The Spoton Logistics Private Limited ESOP-2018 was approved by the Board of Directors of the Holding Company and shareholders effective from 12 October 2018. The ESOP 2018 plan provides for the issue of 1,300,000 options to the employees. The plan is administered by a Board or a sub committee. Options will be issued to employees of the Holding Company at an exercise price, which shall be determined and established of an equity share in the recent funding immediately preceding the date of grant or any other price not less than the face value of the shares as determined by the Board. The equity shares covered under these options would vest not more than five years from the date of grant of such options. Option activity during the period ended 30 June 2021 and the related weighted average exercise price of stock options under the Spoton Logistics Private Limited ESOP-2018, is presented below:

#### Movements during the period

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the period:

#### 2013 Scheme

Particulars	For the period ended 30 June 2021	
	Number of options	Weighted average exercise price
Options outstanding at the beginning of the period	627,575	50.00
Options outstanding at the end of the period	627,575	50.00
Vested options	627,575	50.00

#### 2018 Scheme

Particulars	For the period ended 30 June 2021	
	Number of options	Weighted average exercise price
Options outstanding at the beginning of the period	704,887	227.00
Options outstanding at the end of the period	704,887	227.00
Vested options	225,817	227.00
Unvested options	479,070	-

The weighted average remaining contractual life for the stock options outstanding are 2 years.

Total expense arising from share based payment transaction for the period is INR 4.73 million.

The following tables list the inputs to the models used for the share based payment plans for the year ended 30 June 2021:

Particulars	As at 30 June 2021
Dividend yield (%)	0.00%
Expected volatility (%)	33.26%
Risk-free interest rate (%)	6.32%
Expected life of share options (in years)	4
Weighted average share price (INR)	145
Model used	Black Scholes 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.

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**31. Leases**

Particulars	As at 30 June 2021
<b>Assets</b>	
<b>Non-current assets</b>	
Right-of-use assets	905.42
<b>Total assets</b>	<b>905.42</b>
<b>Equity</b>	
Retained Earnings	-
<b>Total equity</b>	<b>-</b>
<b>Liabilities</b>	
Lease liabilities	949.93
<b>Total liabilities</b>	<b>949.93</b>
<b>Special Purpose Interim Consolidated Statement of Profit and Loss</b>	
Depreciation on right-of-use assets	97.51
Expense relating to short-term leases (included in other expenses)	19.56
Interest cost	18.43
<b>Total charge</b>	<b>135.50</b>

**Group as a lessee**

The Group has lease contracts for office premises having a lease term ranging from 1-9 years.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	<b>Right of use assets</b>
<b>As at 1 April 2021</b>	<b>924.13</b>
Additions	78.80
Deletions	-
Depreciation expense	(97.51)
<b>As at 30 June 2021</b>	<b>905.42</b>

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	<b>Lease liabilities</b>
<b>As at 1 April 2021</b>	<b>967.60</b>
Additions	75.58
Deletions	-
Accretion of interest	18.43
Payments	(111.68)
<b>As at 30 June 2021</b>	<b>949.93</b>

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 30 June 2021
Current lease liabilities	308.99
Non-current lease liabilities	640.94
<b>Closing balance</b>	<b>949.93</b>

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The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 30 June 2021
Less than one year	377.59
One to five years	721.10
More than five years	6.40
<b>Closing balance</b>	<b><u>1,105.09</u></b>

The Group does not face a 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.

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**32. Related party transactions:**

**Names of related parties and related party relationship:**

**Related parties under Ind AS 24:**

**1. Enterprises having control over the Holding Company**

Samara Alternate Investment Fund (upto 24 August 2021)  
Samara Capital Partners Fund II Limited (upto 24 August 2021)  
Virginia Tech Foundation, Inc. (upto 24 August 2021)  
Xponentia Fund Partners LLP (upto 24 August 2021)  
Xponentia Opportunities Fund – I (upto 24 August 2021)  
Delhivery Limited (formerly known as Delhivery Private Limited) (w.e.f 24 August 2021)

**2. Key management personnel**

Abhik Mitra – Director  
Krishna Chandrasekar - Chief Financial Officer  
Pavithra P - Company Secretary  
Devinjit Singh - Director (upto 23 August 2021)  
Perumal Ramamurthy Srinivasan - Director (upto 23 August 2021)  
Goutam Gode - Director (upto 23 August 2021)  
Abhishek Kabra - Director (upto 24 August 2021)  
Ajith Pai Mangalore - Additional Director (w.e.f 24 August 2021)  
Amit Agarwal - Additional Director (w.e.f 24 August 2021 till 06 October 2021)  
Raghavan Narasimhan - Director (upto 18 August 2021)  
Raghavan Narasimhan - CEO of the Subsidiary (w.e.f 18 August 2021)  
Pallavi Aravind - Director (upto 28 January 2020)  
TNS Raghavan - Director (upto 28 January 2020)  
Srivatsan Rajan (Independent director w.e.f 13 October 2021)  
Pooja Gupta (Director w.e.f 06 October 2021)

**3. Parties where control exists irrespective of whether transactions have occurred or not**

Spoton Supply Chain Solutions Private Limited  
(formerly known as Raag Technologies and Services Private Limited)  
("referred as the Subsidiary")

**4. Relative of Key Management Personnel**

Pallavi Aravind (Spouse of the CEO of the subsidiary)  
T N S Raghavan (Father of the CEO of the subsidiary)

**5. Enterprises owned or significantly influenced by KMP and relative of KMP**

Rangan Manufacturing Services Private Limited (Raghavan Narasimhan and Pallavi Aravind - Shareholders and Directors)

**Spoton Logistics Private Limited**  
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**32. Related party transactions (continued)**

a) The following is the summary of significant transactions with related parties for the period 30 June 2021:

S.No	Name of the Related party	Nature of transactions	Period ended 30 June 2021
			Transactions for the period
1	Pallavi Aravind	Rent expenses	0.24
2	Abhik Mitra- Director	Key managerial remuneration (including applicable end of service benefits)	4.55
3	Krishna Chandrasekar	Key managerial remuneration (including applicable end of service benefits)*	2.07
4	Raghavan Narasimhan	Key managerial remuneration (including applicable end of service benefits)	1.27
5	Pavithra P	Key managerial remuneration (including applicable end of service benefits)	0.07

\*Key managerial remuneration includes bonus provision in the current period.

The remuneration to key management personnel does not include the provisions made for gratuity and leave encashment, as they are obtained on an actuarial basis for the Holding Company and the Subsidiary as a whole.

b) The following is the summary of balances outstanding with related parties for the period ended 30 June 2021:

S.No	Name of the Related party	Nature of balances	As at 30 June 2021
			Outstanding at the period end
1	Pallavi Aravind	Other current financial liabilities -Rent payable	0.30
2	Raghavan Narasimhan	Other current financial liabilities - Other payables - payable to Director	1.43
3	Rangan Manufacturing Services Private Limited	Other current assets - Other receivables	9.74

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**33. Segment reporting**

The Group's business activities which are primarily domestic road transport services engaged in domestic cargo shipments by land and the only geographical segment is 'India'. These activities fall within a single reportable segment as the management reviews the financial performance of Logistic services on consolidated basis. Accordingly, there are no additional disclosures to be furnished in accordance with the requirement of Ind AS 108 – Operating Segments with respect to single reportable segment.

**Major customer**

Revenue from any customer of the Group's domestic road transport business and other segments does not exceed 10% of the total revenue reported and hence, the Management believes there are no major customers to be disclosed.

*(This space has been intentionally left blank)*

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**34. Details of dues to micro and small enterprises as defined under MSMED Act 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 30 June 2021 has been made in the Special Purpose Interim Consolidated Financial Statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

Particulars	30 June 2021
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The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting period:

Principal	3.65
Interest	0.07

The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting period:

Principal	-
Interest	-

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 Micro, Small and Medium Enterprises Development Act, 2006.

-

The amount of interest accrued and remaining unpaid at the end of each accounting period.

0.07

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.

0.07

**35. Capital and other commitments**

Particulars	30 June 2021
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Estimated amount of contracts remaining to be executed on capital account (net of advances)	1.31
Letter of comfort issued to lender against credit facilities availed by the Subsidiary	600.00

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**36. Contingent Liabilities not provided for:**

Particulars	30 June 2021
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**a. Service Tax**

During year 2017-18, the Commissioner of service tax department had issued show cause notices (SCNs) for raising demands of Rs. 189.39 million and Rs. 221.64 million on 28 March 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 vendors as a Goods Transport Agency for that period. The SCN alleged that vehicle hire services availed by the Holding Company 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) (zzp) of the Finance Act prior to July 1, 2012 and the Holding Company is required to pay the service tax under the reverse tax charge mechanism. The Holding Company had responded to these SCNs in 2017-18.

During the year ended 31 March 2019, the Department passed adjudication order on 06 September 2018 with a service tax demand of Rs.189.39 million and along with interest and penalty of Rs.189.39 million for the period from January 2012 to March 2015. The Holding Company has filed an appeal before CESTAT against the order after paying Rs.14.20 million under protest. The SCN relating to the period from April 2015 to June 2017 is yet to be adjudicated as at 31 March 2021.

600.43

Subsequent to the balance sheet date, an adjudication order passed by Principal Commissioner of Central Tax, Bangalore was received on 28 July 2021 with a tax demand of Rs. 221.64 million along with interest and penalty of Rs. 22.16 million for the period from April 2015 to June 2017.

Based on the underlying facts, applicable laws and industry standards, the Holding Company is confident of prevailing against the Department's position and does not anticipate any adverse financial outcome.

**b) Other matters**

- Demands not acknowledged by the Holding Company
- Provident fund [refer to note (i) below]

0.62  
55.66

**Note (i)**

The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. There are interpretative challenges and considerable uncertainty, including estimating the amount retrospectively. The Holding Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively. Based on the legal advice and in the absence of the reliable measurement of the provision for earlier periods, the Holding Company has complied with order on a prospective basis, from the date of the Supreme Court Order. The Holding Company considered exposure related to the period before the date of Supreme Court order and shown as a contingent liability.

**Note (ii)**

**Appointment of Company Secretary**

As per Section 203 of Companies Act 2013, read with rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, if a company does not have a whole time Company Secretary ("CS"), a company shall be punishable with fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakhs and every director and key managerial personnel of a company who is in default shall be punishable with fine which may extend to Rs. 50,000 and where the contravention is a continuing, with a further fine which may extend to Rs. 1,000 per day until the date of appointment.

Since the paid up capital of the Holding Company is Rs. 176.52 million i.e. more than five crore rupees (ten crores w.e.f. 01 April 2020 as amended vide notification dated 03 January 2020, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014), the Holding Company was required to have a whole time CS. The Holding Company appointed whole time CS on 02 May 2019 and made two compounding applications with Registrar of Companies, one for compounding of offense till 02.11.2018 (till the time of adjudication provision became effective) and second for adjudication from 02.11.2018 (date of effectiveness of adjudication provision) till 02.05.2019 (date of appointment of Company Secretary). The Holding Company's management does not expect significant penalty arising out of the compounding proceedings.

(iii) The Holding Company 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. The Company has filed a compounding application dated 9 August 2021 seeking compounding for such offence with the Registrar of Companies, Ahmedabad. The Holding Company's management expect that the compounding will not result in any significant penalties to the Holding Company.

(i) Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.

(ii) 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.

(iii) The Group doesn't expect any reimbursements in respect of the above contingent liabilities



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**37. Expenditure on Corporate Social Responsibility Activities**

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The funds are allocated to the activities which are specified in Schedule VII of the Companies Act, 2013. The details of Holding Company's CSR expenditure is as follows:

Particulars	30 June 2021
(a) Gross amount required to be spent by the Holding Company during the period	-
Add: Unspent amount from prior years	3.61
Total Gross amount required to spent	<u>3.61</u>
(b) Amount approved by the Board to be spent during the period	-
(c) Amount spent during the period ended 30 June 2021:	-

Particulars	In cash	Yet to be paid in cash	Total
i) Construction/acquisition of any asset	-	-	-
ii) On purpose other than (i) above*	3.60	-	3.60

(d) Details related to spent / unspent obligations:	30 June 2021
i) Contribution to Public Trust	
ii) Contribution to Charitable Trust*	
iii) Unspent amount in relation to	
- Ongoing project	
- Other than ongoing project	
	<u>0.01</u>
	<u>0.01</u>

\* Out of previous years unspent amount, during the current period the Holding Company has spent Rs. 3.6 million (previous year: Rs. 0.5 million) towards donation.

**38. Estimation uncertainty relating to the global health pandemic on COVID-19:**

The COVID-19 pandemic is rapidly spreading throughout the world. The event significantly affects the economic activity worldwide and, as a result, could affect the operations and results of the Group.

The Group's operations were impacted due to the lockdown restrictions imposed by the Government. The Management is of the view that subsequent to the lockdown period, the operations of the Group are returning to normalcy. However the Management is closely monitoring any foreseeable impact of COVID on the operations of the Group and is confident of obtaining regular supply of logistics services for foreseeable period. The Management has also performed an extensive analysis of the impact of COVID on the assumptions used in preparing these Special Purpose Interim Consolidated financial statements and has concluded that no adjustments are required in these Special Purpose Interim Consolidated financial statements on this account. The actual impact of COVID-19 on the Special Purpose Interim Consolidated financial statements may differ from that estimated as at the date of approval of the Special Purpose Interim Consolidated financial statements and the Group's management continues to closely monitor any material changes to future economic conditions.

- 39 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.

#### I) Names and general nature of business of the amalgamating companies

Vankatesh Pharma Private Limited (hereinafter referred to as the "Transferor Company" or "the VPPL") is a company under the Companies Act, 1956 had its registered office Opposite to SEZ Naman Industrial Estate, ATPO Matoda, Village Matoda, Taluka Sanand, Ahmedabad, Survey No 520/1 & 520/2, Gujarat, Ahmedabad- 382213, India. VPPL was primarily engaged in Business Advisory Services (focusing on pharmaceutical products).

Spoton Logistics Private Limited is a Company (hereinafter referred to as the "Transferee Company" or "SLPL") with its registered office Opposite to SEZ Naman Industrial Estate, ATPO Matoda, Village Matoda, Taluka Sanand, Ahmedabad, Survey No 520/1 & 520/2, Gujarat, Ahmedabad- 382213, India. The SLPL is engaged in the domestic road business i.e. transportation freight through surface and air transport, within the territory of India.

#### II) Effective date of arrangement for accounting purposes

Effective date of the Scheme for accounting purposes is 30 August 2018.

The Scheme of Arrangement was duly approved by the National Company Law Tribunal of Ahmedabad on 27 November 2019 under provision of the Companies Act 2013, and the certified true copy of the Scheme was filed with the Registrar of Companies on 10 January 2020 for regularisation.

#### (III) The method of accounting used to reflect the Scheme of Arrangement:

As per Scheme of Arrangement submitted to the NCLT, with the effect from the appointed date, the Transferee Company shall account for the arrangement in the books by following 'Purchase Method of Accounting' laid down by Accounting Standard 14 (Accounting for amalgamations) notified under the Companies (Accounting Standard) Rule, 2006. Also refer to note 1.

#### The details of assets and liabilities acquired:

Particulars	Amount (Rs.)
<b>Assets:</b>	
<b>Non current assets</b>	
Other non-current assets (refer note (i) below)	-
<b>Current assets</b>	
Cash and bank balances	107,994,250
Short-term loan and advances	64,000
Other current asset (refer note (i) below)	-
	<u>108,058,250</u>
<b>Total assets (A)</b>	<b>108,058,250</b>
<b>Liabilities:</b>	
<b>Non current liabilities</b>	
Long term borrowings	1,350,000,000
	<u>1,350,000,000</u>
<b>Current liabilities</b>	
Trade payables (refer note (i) below)	-
Other current liabilities	22,089,418
Short-term provisions	38,500
	<u>22,127,918</u>
<b>Total liabilities (B)</b>	<b>1,372,127,918</b>
<b>Net liability (C= A-B)</b>	<b>(1,264,069,668)</b>
<b>Transferred to Goodwill</b>	<b>(1,264,069,668)</b>
	(refer note (ii) below)

#### Notes:

- (i) The Transferor Company had entered into a Reimbursement Agreement ("the agreement") on 06 December 2018 with one of its shareholders, namely Samara Capital Partners Fund II Limited ("Samara") for reimbursement of insurance premium amounting to INR 54,000,000 (USD 750,000) obtained by Samara from a foreign insurer, wherein the Transferor Company was a beneficiary. The insurance premium was recognized as a liability due to Samara by the Transferor Company with a corresponding debit to prepayments. These balances of liability and prepayment were transferred to the Transferee Company as part of the assets and liabilities acquired through the Scheme.

During the year ended 31 March 2021, the Holding Company's management has obtained a legal opinion and based on which, it has been concluded that the Reimbursement agreement was not in compliance with the Foreign Exchange Management Act, 1999 ("FEMA") and the regulations issued thereunder. Accordingly, the agreement has been cancelled on 10 February 2021, with effect from 06 December 2018 and the underlying transaction and balances were reversed in the Holding Company's books. Consequently, the liability due to Samara of INR 54,000,000 and prepayment of INR 53,728,448 (non-current INR 46,648,707 and current INR 7,079,741) were not considered as part of the assets and liabilities acquired under the Scheme. In addition, the amortization of prepayment carried out in the books of the Transferor Company between 30 August 2018 and 31 March 2019 were also not considered as part of the loss transferred from the Transferor Company under the Scheme.

- (ii) The difference between the net liability of the Transferor Company transferred to and recorded in the books of the Transferee Company and the amount credited to the equity share capital is adjusted against the goodwill account.

**Spoton Logistics Private Limited**  
**Notes to the Consolidated Financial Statements**  
*(All amount in INR Millions unless otherwise stated)*

**40. Events occurring after reporting period**

**(a) Acquisition of the Holding Company by Delhivery Limited:**

Pursuant to the Share Purchase Agreement dated 29 July 2021, as amended by Amendment Agreement executed on 19 August 2021, each executed amongst the Holding Company, Delhivery Limited ("Acquirer") and M/s Samara Alternate Investment Fund, M/s Samara Capital Partners Fund II Limited, M/s Virginia Tech Foundation, Inc., M/s Xponentia Opportunities Fund - I and Xponentia Fund Patners LLP (collectively called "Sellers"), the Board of directors of the Holding Company approved on 24 August 2021 and took on record the transfer of 1,98,25,558 fully paid-up equity shares of face value Rs. 10 each of the Holding Company, collectively held by the Sellers, free and clear of all encumbrances of any nature. The effective date of acquisition is 24 August 2021.

**(b) Full and Final redemption of Senior, Secured, Unrated, Unlisted, Non-Convertible Debentures ("NCDs"):**

On 25 August 2021, the Holding Company made voluntary redemption of 950, 13% non-convertible debentures of Rs. 1,000,000 each along with applicable interest and redemption premium. The total amount paid was Rs. 1,216.72 million representing Rs. 950 million against principal, Rs. 180.52 million against interest till the end of the lock-in-period as on the date of the redemption and Rs. 86.19 million against redemption premium.

**(c) Termination of Option Deed Agreement and Investment in equity shares of Spoton Supply Chain Solutions Private Limited (formerly known as Raag Technologies and Services Private Limited):**

The Option Deed Agreement dated 04 December 2019, executed between the Narasimhan Raghavan, Pallavi Aravind ("the non-controlling shareholders in the Subsidiary"), the Subsidiary and the Holding Company was terminated on 17 August 2021. Further, the Holding Company entered into a share purchase agreement dated 7 August 2021 with the Subsidiary and non-controlling shareholders of the Subsidiary and invested in the remaining 1,750 equity shares of the Subsidiary on 16 August 2021.

**(d) Cancellation of ESOP scheme 2013 and 2018:**

The Holding Company's ESOP Scheme 2013 and 2018 have been cancelled via board resolution dated 3 September 2021 and employees have been paid cash or issued equity shares in lieu of cancellation.

*For B S R & Associates LLP*  
*Chartered Accountants*  
Firm registration number: 116231W/W-100024

*For and on behalf of the Board of Directors of*  
**Spoton Logistics Private Limited**  
UIN : U63090GJ2011PTC108834

**Vipin Lodha**  
*Partner*  
Membership No. 076806

**Ajith Pai Mangalore**  
*Director*  
DIN: 07168138

**Abhik Mitra**  
*Director*  
DIN: 00337465

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

**Krishna Chandrasekar**  
*Chief Financial Officer*

**Pavithra P**  
*Company Secretary*

Place: Bengaluru  
Date: 31 October 2021

Place: Bengaluru  
Date: 31 October 2021

## OTHER FINANCIAL INFORMATION

The accounting ratios required under Paragraph 11 of Part A of Schedule VI of the SEBI ICDR Regulations and certain other non GAAP measures are given below:

Particulars	As at and for the three months ended June 30, 2021	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2020	As at and for the Financial Year ended March 31, 2019
Restated loss for the period / year (A) (₹ in million)	(1,295.80)	(4,157.43)	(2,689.26)	(17,833.04)
Weighted average number of equity shares in calculating basic EPS (B) (Refer Note 6)	537,879,600	516,214,100	515,018,800	377,644,900
Weighted average number of equity shares in calculating diluted EPS (C) (Refer Note 6)	537,879,600	516,214,100	515,018,800	377,644,900
<b>Basic loss per share (₹) (D = A/B)</b>	(2.41)	(8.05)	(5.22)	(47.22)
<b>Diluted loss per share (₹) (E = A/C)</b>	(2.41)	(8.05)	(5.22)	(47.22)
<b>Reconciliation of return on net worth</b>				
Net worth (A) (₹ in million)	47,436.28	28,367.97	31,704.06	33,882.83
Restated loss for the period / year (B) (₹ in million)	(1,295.80)	(4,157.43)	(2,689.26)	(17,833.04)
Return on net worth (%) (C = B/A)	(2.73%)	(14.66%)	(8.48%)	(52.63%)
<b>Reconciliation of net asset value per share</b>				
Net worth (A) (₹ in million) (Refer Note 7)	47,436.28	28,367.97	31,704.06	33,882.83
Number of equity and preference shares outstanding at the end of the period/ year (B)	5,745,183	5,177,478	5,154,687	5,138,130
<b>Net asset value per share (in ₹) (C = A/B)</b>	8,256.70	5,479.11	6,150.53	6,594.39
Number of equity and preference shares outstanding at the end of the period/year - post issuance of bonus shares to equity shareholders, subdivision of equity shares, and conversion of preference shares (D)	574,518,320	517,747,820	515,468,700	513,813,000
<b>Net asset value per share (in ₹) (E = A/D)</b> - post issuance of bonus shares to equity shareholders, subdivision of equity shares, and conversion of preference shares	82.57	54.79	61.51	65.94
Restated loss for the period / year (A) (₹ in million)	(1,295.80)	(4,157.43)	(2,689.26)	(17,833.04)
Total tax expense (B) (₹ in million)	-	-	1.24	-
Finance costs (C) (₹ in million)	227.24	886.27	492.18	358.13
Depreciation and amortisation expense (D) (₹ in million)	817.88	3,546.20	2,555.91	1,700.05
Other income (E) (₹ in million)	(462.89)	(1,917.64)	(2,080.54)	(409.77)
Exceptional items (F) (₹ in million)	-	413.30	-	-
Fair value loss on financial liabilities at fair value through profit or loss (G) (₹ in million)	320.12	91.95	-	14,806.64
Rent waiver on lease liabilities (H) (₹ in million)	-	33.80	-	-
Gain on modification / termination of lease contracts (I) (₹ in million)	29.10	99.76	-	7.28
<b>EBITDA (J=A+B+C+D+E+F+G+I) (₹ in million)</b>	<b>(364.35)</b>	<b>(1,003.79)</b>	<b>(1,720.47)</b>	<b>(1,370.71)</b>
Share based payment expense (K) (₹ in million)	437.20	723.12	488.05	379.44
IND AS 116 adjustment on account of lease contracts				

Particulars	As at and for the three months ended June 30, 2021	As at and for the Financial Year ended March 31, 2021	As at and for the Financial Year ended March 31, 2020	As at and for the Financial Year ended March 31, 2019
Freight handling and servicing cost - Rent (L) (₹ in million)	(553.87)	(2,118.60)	(1,299.51)	(877.89)
Rent waiver on lease liabilities (M) (₹ in million)	-	(33.80)	-	-
Gain on modification / termination of lease contracts (N) (₹ in million)	(29.10)	(99.76)	-	(7.28)
<b>Adjusted EBITDA (O=J+K+L+M+N) (₹ in million)</b>	<b>(510.12)</b>	<b>(2,532.83)</b>	<b>(2,531.93)</b>	<b>(1,876.44)</b>
<b>Revenue from contract with customers (P) (₹ in million)</b>	<b>13,177.22</b>	<b>36,465.27</b>	<b>27,805.75</b>	<b>16,538.97</b>
<b>Adjusted EBITDA Margin (%) (Q=O/P)</b>	<b>(3.87%)</b>	<b>(6.95%)</b>	<b>(9.11%)</b>	<b>(11.35%)</b>

The ratios have been computed as below:

- Accounting and other ratios have been derived from Restated Financial Statements ("RFS"). Ratios have been derived post split and issuance of bonus shares (Refer Point 2 below).
- Basic and diluted loss per share: Basic and diluted loss per share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).

Subsequent to June 30, 2021, on September 27, 2021, the Company issued bonus equity 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.

Subsequent to June 30, 2021, 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 impact of the above has been considered in the calculation of Basic and Diluted Loss per share.

- Return on Net Worth (%) is calculated as Restated loss attributable to equity and preference shareholders for the relevant year as a percentage of Net Worth as of the last day of the relevant year.
- Net Asset Value per share (in ₹): Net Asset Value per Share represents Net Asset Value per equity and preference share. It is calculated as Net Worth as of the end of relevant period/year divided by the number of equity and preference shares outstanding at the end of the period/year. The Net Asset Value per share disclosed above is after considering the impact of bonus and sub-division of the issued equity shares and conversion of outstanding preference shares.
- Earnings before interest tax depreciation and amortisation ("EBITDA") : Restated loss for the year/period adjusted to exclude (i) Other income (ii) Current tax (iii) Finance costs (iv) Depreciation and amortization expense (v) Exceptional items (vi) Fair value loss on financial liabilities at fair value through profit or loss and include (i) Rent waiver on lease liabilities (ii) Gain on modification / termination of lease contracts.
- The weighted average number of shares takes into account the weighted average effect of changes in cumulative compulsorily convertible preference shares during the year/ period in accordance with Ind AS 33.
- Net Worth is derived as below:

Particulars	(in ₹ million)			
	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Equity share capital (A)	16.38	16.33	9.75	9.58
Instruments entirely equity in nature (B)	410.33	353.99	391.72	391.72
Other equity (C)	47,009.57	27,997.65	31,302.59	33,481.53
<b>Net worth* (Total) (D=A+B+C)</b>	<b>47,436.28</b>	<b>28,367.97</b>	<b>31,704.06</b>	<b>33,882.83</b>

\* "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, write-back of depreciation and amalgamation as on June 30, 2021, March 31, 2021; 2020 and 2019.

The standalone audited financial statements of:

- our Company, as at and for the financial years ended March 31, 2021, March 31, 2020, and March 31, 2019, in accordance with the SEBI ICDR Regulations; and
- Spoton Logistics Private Limited, our Subsidiary, acquired pursuant to a share purchase agreement dated July 29, 2021, as at and for the year ended March 31, 2021,

(collectively the “**Audited Financial Statements**”) are available at <https://www.delhivery.com/investor-relations/>. Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements and the reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider to subscribe for or purchase any securities of our Company, or any entity in which it or its shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the BRLMs or the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

### **Related Party Transactions**

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., Ind AS 24 - Related Party Disclosures read with the SEBI ICDR Regulations, for the three months ended June 30, 2021, Fiscal 2021, Fiscal 2020, and Fiscal 2019, see “***Restated Financial Statements – Note 40. Related party transactions***” on page 290. For a summary of the related party transactions for the three months ended June 30, 2021, Fiscal 2021, Fiscal 2020, and Fiscal 2019, see “***Summary of this Draft Red Herring Prospectus – Summary of related party transactions***” on page 25.

## FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries avail loans in the ordinary course of business for purposes such as working capital, business requirements and other general corporate purposes.

For details regarding the borrowing powers of our Board, see “*Our Management – Borrowing powers*” on page 208.

As of August 31, 2021, our Company and Subsidiaries had outstanding indebtedness on a consolidated basis, aggregating to ₹3,985.71 million. Set forth below is a brief summary of such indebtedness:

Category of borrowing	Sanctioned amount	Outstanding amount as on August 31, 2021
<i>(in ₹ million unless otherwise stated)</i>		
<b>Fund based facilities</b>		
Term Loans	2,628.66	1,532.01
Commercial Vehicle Loans	700.30	436.57
Overdraft Facilities	2,079.00	713.19
Bill Discounting	1,250.00	1,146.60
<b>Non-fund based facilities</b>		
Bank Guarantee	100.00	85.10
Fleet Card/ Corporate Card	105.00	72.24
<b>Total indebtedness (on a consolidated basis)</b>	<b>6,862.96</b>	<b>3,985.71</b>

*As certified by B.B. & Associates, pursuant to their certificate dated November 1, 2021*

### Key terms of borrowings availed by our Company and Subsidiaries

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by our Company and Subsidiaries.

**Tenor:** The tenor of the term loans ranges from 35 to 60 months. The tenor of overdraft facilities availed by us is 12 months. The tenor of vehicle loans availed by us ranges from 35 months to 37 months. The tenor of bill discounting facilities availed by us is up to 12 months. The tenor of bank guarantees availed by us typically ranges between 12 months to 18 months. The cash credit facilities as part of our working capital facilities are payable on demand. The tenor of our working capital facilities typically ranges between 90 days to 12 months.

**Interest:** In terms of the term loans, the interest rate is typically linked to the Marginal Cost of Funds Based Lending Rate (“MCLR”) as decided by the Reserve Bank of India (“RBI”) and spread per annum, with varying reset options, subject to a minimum interest rate. Further, in terms of the overdraft fund-based facilities availed against fixed deposits, the interest rate is typically attached to the fixed deposit rate and the spread per annum. There is no interest rate applicable to the bank guarantees that have been availed by our Company. The interest rate on bill discounting ranges from three months MCLR + 0.40% per annum to three months MCLR + 1% per annum. The interest rates for the commercial vehicle loans availed by our Company typically range between 7.35% to 9.26% per annum. The interest rates for the working capital loans availed by us typically range between 0.10% per annum to 0.85% per annum above the MCLR. The MCLR is revised annually for the facilities availed by our Company and quarterly for the facilities availed by Spoton.

**Penal Interest:** The terms of certain facilities availed by us prescribe penalties for non-payment of interest or repayment instalment, failure to create security within agreed timelines or any other breach of terms and conditions, which are as laid down in such facility documents or as may be stipulated by the concerned lender, as the case may be. The default interest payable on such facilities availed is typically 2% per annum on the outstanding loan. The fund based working capital facilities availed by us prescribe a penal interest of 1% per annum.

**Security:** The term loans availed by us are secured by way of hypothecation on our assets, including the vehicles owned by us as identified in the schedule of the borrowing arrangement and our fixed deposits. The overdraft facilities availed by us are secured by way of a lien mark fixed deposit in favour of the respective lenders. The commercial loans are secured by way of a hypothecation on the vehicle in respect of which the facility is availed. The working capital loans are secured by way of a hypothecation over our entire current assets and movable fixed assets.

**Repayment:** Our term loans have to be repaid during the course of the entire tenor, by way of equal monthly instalments of interest and the principal amount. The overdraft facilities are repayable on demand. Our vehicle commercial loans are also payable over the course of their tenor, in accordance with the schedule prescribed in the respective facility agreements. Working capital facilities availed by us are revolving in nature and are available for utilization until the expiry of the availability period mentioned in the sanction letters/ facility agreements.

**Prepayment:** The term loans availed by us generally have prepayment provisions which allow for pre-payment of the outstanding loan amount, subject to prior approval from such concerned lender and payment of such prepayment premium and/or penalty, as may be decided by the lender at the time of such prepayment, or as laid down in the facility document, as the case may be. The working capital facilities by us generally permit prepayment without payment of any prepayment penalty. However, some facilities may charge up to 6% of the total facility amount as prepayment penalty.

**Restrictive Covenants:** Borrowing arrangements entered into by us typically contain various restrictive conditions and covenants mandating either the prior written consent and/or an intimation to our lenders in respect of certain corporate actions. An indicative list of such covenants is set forth below:

- (a) any change in the shareholding pattern, ownership, management, control or constitution;
- (b) any merger, de-merger, amalgamation, consolidation, reorganization or scheme of arrangement or compromise;
- (c) declaration or payment of any dividend or any other distribution of profits or permit withdrawal of amounts brought in if an event of default has occurred;
- (d) amending the Memorandum of Association or Articles of Association of our Company, including if such amendments adversely affect the interest of the lenders;
- (e) undertaking any expansion or investment in any other entity;
- (f) any decision to redeem, purchase, buyback, retire, or repay any share capital;
- (g) creation of charge on the securities;
- (h) pursuance of any steps towards voluntary winding up, liquidation or dissolution of our Company; and
- (i) any notice served on us or application made by us under the Insolvency and Bankruptcy Code, 2016.

**Events of Default:** In terms of the borrowing arrangements entered into by us, the occurrence of any of the following, among others, constitute an event of default:

- (a) non-payment or default of principal and/or interest due on the loan obligation;
- (b) breach of any covenant, condition, agreement or any other conditions subject to the terms of the relevant borrowing arrangement;
- (c) failure or breach on our part to perform any obligations or terms or conditions applicable under the loan documentation or any other agreement with any other bank, financial institution, creditor or any other person including non-payment in full of any part of the outstanding balance when due or when demanded by the lender;
- (d) proceedings relating to winding up, dissolution, bankruptcy and insolvency being initiated against us;
- (e) any deterioration or impairment of the assets underlying the security or any part of such security which causes the security to become unsatisfactory as to character, including depreciation in the margin, value or market price of the assets;
- (f) appointment of a receiver in respect of whole or any part of the property/assets;
- (g) utilization of the loan for purposes other than the sanctioned purpose;
- (h) breach of any statements, representations, warranties, covenants or confirmations included in the loan documentation;
- (i) creation of any charge, mortgage, pledge, hypothecation, lien or other encumbrance over the secured properties, including perfection of such security, without prior written consent of the lenders; and
- (j) any other event or material change which may have a material adverse effect on the lenders.

#### ***Consequences of occurrence of events of default***

In terms of our borrowing arrangements, the following, among others, are the actions which our lenders are entitled to take in case of an event of default:

- (a) withdraw or cancel the sanctioned facilities;
- (b) enforce the security over the hypothecated assets;
- (c) seek immediate repayment of all or part of the outstanding amounts under the respective facilities;



- (d) impose penal interest over and above the contracted rate on the amount in default;
- (e) initiate legal proceedings for recovery of dues;
- (f) appoint its nominee and/or receiver; and
- (g) exercise all other remedies as available under applicable laws.

We have obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer. For further details of financial and other covenants required to be complied with in relation to our borrowings, see “*Risk Factors – An inability to comply with repayment and other covenants in our financing agreements may lead to, among others, accelerated repayment schedules and enforcement of security, which may adversely affect our business, results of operations, financial condition, cash flows and credit rating*” on page 50.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at June 30, 2021, derived from our Restated Financial Statements, and as adjusted for the Offer. This table should be read in conjunction with the sections titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Restated Financial Statements*" and "*Risk Factors*" on pages 460, 220 and 29, respectively.

Particulars	Pre-Offer as at June 30, 2021	As adjusted for the proposed Offer
<i>(in ₹ million)</i>		
<b>Borrowings</b>		
Current borrowings (I)*	1,972.05	[●]
Non-current borrowings (II)*	1,451.79	[●]
<b>Total Borrowings (I) + (II) = (A)*</b>	<b>3,423.84</b>	<b>[●]</b>
<b>Equity</b>		
Equity Share Capital*	16.38	[●]
Instruments entirely equity in nature*	410.33	
Other equity*	47,009.57	[●]
<b>Total Equity (B)</b>	<b>47,436.28</b>	<b>[●]</b>
<b>Capitalisation (A) + (B)</b>	<b>50,860.12</b>	<b>[●]</b>
<b>Non-current borrowings/equity ratio (C=I/B)</b>	0.03	[●]
<b>Total borrowings/equity ratio (D=A/B)</b>	0.07	[●]

\*These terms shall carry the meaning as per Schedule III of the Companies Act.

*Notes:*

- The corresponding post-Offer capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.
- Subsequent to June 30, 2021, on September 27, 2021, the Company issued bonus equity shares in the ratio of 9:1 to the existing equity shareholders. The impact of the same has been considered in the calculation of basic and diluted loss per share. 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.

Subsequent to June 30, 2021, 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.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion is intended to convey the management's perspective on our financial condition and results of operations for Fiscal 2019, Fiscal 2020 and Fiscal 2021, and for the three months ended June 30, 2021. Unless otherwise stated or unless context requires otherwise, the financial information in this section has been derived from the Restated Financial Statements.*

*Our financial year ends on March 31 of each year. Accordingly, references to "Fiscal 2019", "Fiscal 2020" and "Fiscal 2021", are to the 12-month period ended March 31 of the relevant year.*

*Ind AS differs in certain respects from, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Please also see "Risk Factors — Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations and cash flows" on page 59. This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the chapters entitled "Risk Factors" and "Forward Looking Statements" on pages 29 and 20, respectively.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the RedSeer Report, which has been commissioned and paid by us in connection with the Offer. Unless otherwise indicated, all financial, operational, industry and other related information derived from the RedSeer Report and included herein with respect to any particular year, refers to such information for the relevant year.*

### Overview of Our Business

We were the largest integrated and fastest growing fully integrated logistics player in India by revenue as of Fiscal 2021, according to the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. We provide a full-range of logistics services, including express parcel and heavy goods delivery, part-truckload freight ("PTL"), truckload freight ("TL"), 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.

We provided supply chain solutions to a diverse base of 21,342 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, in the three months ended June 30, 2021.

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 our self-developed logistics operating system that is guided in real-time by deep sources of proprietary network and environmental data. Together, these create powerful, intersecting flywheels that drive strong network synergies within and across our services and enhance our value proposition to customers.

Our team of 474 engineering, data and product professionals have built proprietary technology systems that enable us to offer integrated logistics services to a wide variety of customers while remaining asset-light and ensuring service quality and efficiency. Our technology stack orchestrates our network infrastructure and consists of more than 80 applications that encompass all supply chain processes including order management, warehouse management, transportation management, financial transactions such as billing and remittance, tracking and supply chain analytics.

We have built a nation-wide network with presence in every state, servicing 17,045 PIN codes during the six months ended June 30, 2021, covering 88.3% of the 19,300 PIN codes in India as of June 30, 2021 (per India Post). Our network infrastructure includes 124 gateways, 20 automated sort centres, 83 fulfilment centers, 35 collection points, 24 returns processing centers, 249 service centres, 120 intermediate processing centers and 2,235 direct delivery centres as of June 30, 2021, including Spoton's 38 gateways and 145 service centres. Together with Spoton, we operated 3,834 delivery points, as of June 30, 2021. Our self-delivery network is augmented by 1,162 partner locations that expand our reach, provide critical flexible capacity and redundancy and Spoton's service centres are augmented by 188 additional locations operated by business associates.

We have an asset light business model wherein we extend our logistics ecosystem by enabling network partners, such as franchisees, retail partners and delivery agents, to onboard their physical assets and resources and participate in our platform. We have also expanded internationally by establishing a reciprocal partnership with

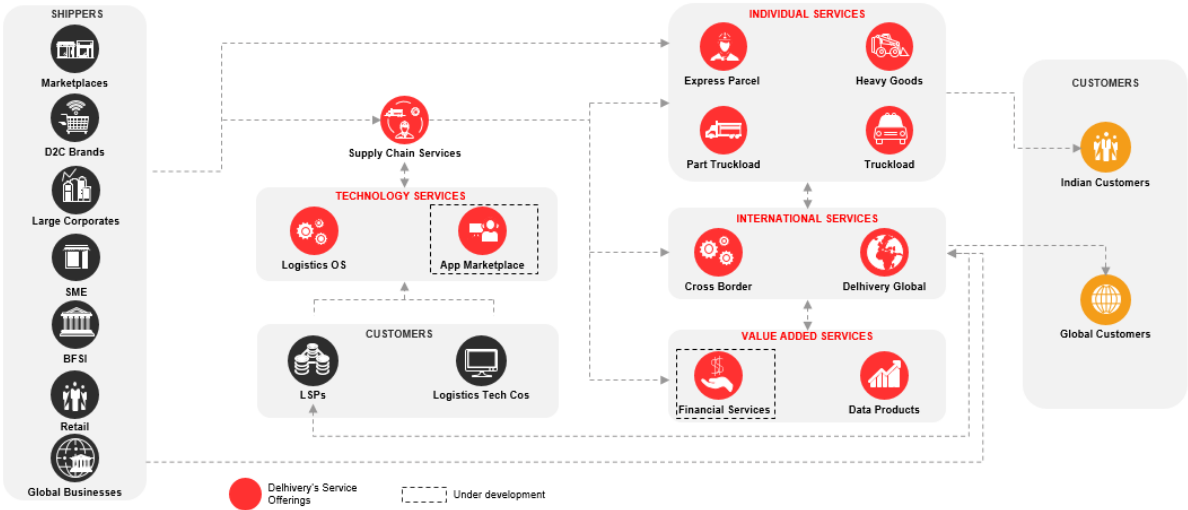
Aramex and are in the process of establishing a strategic alliance with FedEx, both global express leaders, for customs clearance, pickup and delivery services. We entered into an alliance with Aramex in March 2019, expanding our coverage in the Middle East and North Africa, and providing reciprocal access to Aramex customers to our India network. In July 2021, we initiated a similar strategic alliance with FedEx, targeted principally at expanding our coverage in the North American and European markets. This strategic alliance will come into effect upon the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval. In August 2021, we acquired Spoton Logistics Private Ltd (“**Spoton**”), an express PTL freight service provider in India, to further build scale in our PTL freight services business. Spoton delivered 758,730 tonnes of freight in Fiscal 2021 and has a network presence across 12,639 PIN codes with 2.73 million sq. ft. of infrastructure as of June 30, 2021. As per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, following our acquisition of Spoton, we became the third largest PTL freight player in India in terms of revenue as of Fiscal 2021, with a market share share of approximately 8.3% of the organized PTL market in India.

In Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, we generated revenue from contracts with customers of ₹16,538.97 million, ₹27,805.75 million, ₹36,465.27 million and ₹13,177.22 million, respectively, and restated loss for the year/period of ₹17,833.04 million, ₹2,689.26 million, ₹4,157.43 million and ₹1,295.80 million, respectively.

For more details on our business, see “**Our Business**” on page 157.

**Our Business Model**

The integration of our technology platform with our physical network and its operations enables us to provide a full suite of supply chain solutions to a wide range of customers. Our logistics platform, data intelligence and automation, enable our network to be seamlessly interoperable and share infrastructure and operational capacity across business lines. This also enables us to provide e-commerce-like turnaround times to traditional part-truckload shippers. The following schematic depicts our overall service map:



**Asset-light business model**

We have built an asset-light business model that enables us to scale up volumes rapidly, with lower fixed costs and greater flexibility. While we design and control our most critical network nodes (gateways, fulfilment centres and line haul), our network partners play a significant role in our other operations – pickup, fleet and last-mile delivery. This enables us to maintain control over operational quality metrics and improve overall network performance.

We lease our network infrastructure and a majority of the vehicles operating in our network, while also partnering with network partners who provide vehicles for use in tandem with the provision of pickup and delivery services. As on June 30, 2021, we operated over 15.15 million square feet of leased infrastructure (including Spoton) and partnered with over 6,000 contractors and network partners who provide pickup and delivery services and truckload capacity. In addition, our network partners are supported by our technology systems, empowering them to grow their business by offering multiple Delhivery services in their catchment areas. For example, partners in our *Constellation* program extend our last mile reach and use their local market knowledge to autonomously offer

express parcel, part-truckload freight and cross-border express and freight services to SME and retail customers in their catchment areas, backed by our nationwide network, operational and technology capabilities and service precision.

Our ability to forge mutually beneficial partnerships with large international players such as Aramex and the prospective strategic alliance with FedEx, which would come into effect upon the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval, has also enabled us to further expand our reach outside India by leveraging their global networks.

### **Revenue**

We derive revenue through various integrated logistics service offerings to our customers, such as express parcel services, PTL services, TL services, supply chain services and cross-border services.

Our revenue is primarily driven by the following factors: (i) volume of shipments; (ii) weight and dimension of shipments; (iii) travel distance of shipments; (iv) mode of transportation of shipments, such as ground or air transport; (v) payment mode of consignment, such as pre-payment by the end recipient or payment-on-delivery which is subject to an additional charge; (vi) duration of time that the shipment is stored at our warehouses and (vii) type of customer.

#### *Express Parcel*

Express parcel is our largest individual service offering in terms of revenue. Revenue from express parcel services contributed 83.02%, 69.37%, 69.94% and 59.61% of our total revenue from contracts with customers in Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, respectively. Our express parcel services are priced based on the weight and dimension of the parcel, travel distance and payment method by the end-recipient, with additional charges levied for returns.

#### *Part Truck Load Services (PTL Services)*

We operate PTL freight services, along with express parcel services, on a common gateway and line haul infrastructure. Revenue from part truck load services was 8.48%, 8.30%, 10.53% and 8.92% of our total revenue from contracts with customers in Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, respectively. Our pricing varies based on total weight of the shipment and the distance travelled by the shipment with variations on specific lanes and additional charges for value-added services such as insurance, freight on delivery or pick-up and cash collection fees.

#### *Truck Load Services (TL Services)*

Our TL freight service offering follows a freight exchange model, whereby customers can opt for a contracted rate or a spot rate. Pricing for TL services varies based on the type of truck needed to meet the shippers' freight requirement and travel distance, with additional charges for detention. TL pricing is affected by seasonal demand patterns, which affect the availability of specific truck types, and the directionality of the freight. We also provide ancillary services such as the loading and unloading of freight through our transportation partners, for which we levy additional charges.

Our revenue from truck load services was 13.16%, 5.87% and 4.19% of our total revenue from contracts with customers in Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, respectively. We began offering our TL freight services in Fiscal 2020. Our TL freight service business generally has high working capital requirements. During Fiscal 2021 and the three months ended June 30, 2021, we strategically reduced the TL freight service business in order to manage our working capital requirements to address the COVID-19 impact on us and our customers. We continue to strengthen our technology services and improve the customer experience and our value proposition in TL freight services.

#### *Supply Chain Services*

We provide supply chain solutions that leverage the full suite of our integrated logistics services, technology and data science capabilities to deliver an end-to-end service. Supply chain services include both warehousing and transportation services. The fee charged to a customer is typically the sum of the fees charged for warehousing and transportation (Express, PTL and TL) services. Warehousing service fees are based on a fixed storage fee and a variable order processing fee, while the transportation fee is charged per unit. We also engage with certain customers to offer variable pricing models. The modularity of our technology stack enables us to unbundle this

service and offer standalone warehousing solutions as well. Our enterprise customers typically enter into long-term contracts for supply chain services.

Our revenue from supply chain services was 7.98%, 7.73%, 10.70% and 8.02% of our total revenue from contracts with customers in Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, respectively.

#### *Cross Border Services*

We provide door-to-door and port-to-port express parcel and air-cargo shipping services to customers from India to the rest of the world or from other countries to India. Our prices are based on the specific lane, which depends on the origin and destination countries of the shipment, size and weight of the shipment, value of the shipment, insurance and custom clearance charges. Our revenue from cross-border services was 0.52%, 1.24%, 2.64% and 6.83% of our total revenue from contracts with customers in Fiscal 2019, Fiscal 2020, Fiscal 2021 and the three months ended June 30, 2021, respectively. Revenue from cross-border services as a percentage of our revenue from contracts with customers increased significantly from Fiscal 2021 to the three months ended June 30, 2021 as a result of a few large contracts to import medical equipment into India during the COVID-19 pandemic.

#### *Expenses*

Our major expenses include (i) freight, handling and servicing cost, (ii) employee benefit expense, (iii) depreciation and amortisation expense, (iv) finance costs and (v) other expenses.

Freight, handling and servicing cost, which is our largest expense, comprises line haul expenses, vehicle rental expenses, contractual manpower expenses and certain other expenses. Our line haul expenses and vehicle rental expenses include vehicle rental costs, fuel costs, driver salaries, tolls and maintenance costs for surface transport and cost of air transportation. Freight, handling and servicing cost as a percentage of our revenue from contracts with customers increased from 75.62% in Fiscal 2019 to 78.54% in Fiscal 2020 and decreased to 76.18% in Fiscal 2021 and 65.86% in the three months ended June 30, 2021. As part of our asset-light model, we rent most of the trucks used in our line haul operations from network partners. In June 2021, 92.05% of our trucks and other transportation vehicles were hired from third-party fleet partners. The majority of our contracts for service offerings other than express parcel and certain large contracts for express parcel include a fuel price hike clause, which is linked to the price of diesel. Line haul expenses as a percentage of our revenue from contracts with customers increased from 28.34% in Fiscal 2019 to 39.30% in Fiscal 2020 and decreased to 36.41% in Fiscal 2021 and 32.52% in the three months ended June 30, 2021. Vehicle rental expenses as a percentage of our revenue from contracts with customers was 16.28% in Fiscal 2019, 15.20% in Fiscal 2020, 18.65% in Fiscal 2021 and 16.87% in the three months ended June 30, 2021. Contractual manpower expenses as a percentage of our revenue from contracts with customers decreased from 17.07% in Fiscal 2019 to 14.49% in Fiscal 2020 and to 12.97% in Fiscal 2021 and was 9.72% in the three months ended June 30, 2021.

Employee benefit expense constitutes another significant portion of our expenses. This includes salaries, incentives and share-based compensation that we pay to our permanent employees. As of June 30, 2021, excluding Spoton, we had 12,665 permanent employees worldwide. Employee benefits expenses as a percentage of our revenue from contracts with customers decreased from 20.84% in Fiscal 2019 to 17.65% in Fiscal 2020 and 16.75% in Fiscal 2021 and was 15.67% in the three months ended June 30, 2021. Employee benefits expenses other than share based payment expense as a percentage of our revenue from contracts with customers decreased from 18.54% in Fiscal 2019 to 15.90% in Fiscal 2020, 14.77% in Fiscal 2021 and 12.35% in the three months ended June 30, 2021. The salaries and benefits that we provide are determined by various factors such as supply and demand in micro sectors, attrition levels, level of expertise, customisation and productivity required for a particular activity and labour laws and regulations.

Our depreciation and amortisation expenses primarily include depreciation expenses on tangible assets used in our various logistics facilities and offices, depreciation on right of use assets such as leases for our various logistics facilities and amortisation of intangible assets such as software, trademarks and goodwill arising from acquisitions. Our depreciation and amortisation expenses as a percentage of our revenue from contracts with customers were 10.28% in Fiscal 2019, 9.19% in Fiscal 2020, 9.72% in Fiscal 2021 and 6.21% in the three months ended June 30, 2021.

Our finance costs primarily include interest and charges on our borrowings and interest on lease liabilities such as leases for our various logistics facilities. Finance costs as a percentage of our revenue from contracts with customers was 2.17% in Fiscal 2019, 1.77% in Fiscal 2020, 2.43% in Fiscal 2021 and 1.72% in the three months ended June 30, 2021.

Our other expenses primarily include software and technology expense, allowances for doubtful debts, cash management service charges, payment gateway charges, legal and professional fees, housekeeping expenses, and repair and maintenance expenses. Other expenses as a percentage of our revenue from contracts with customers was 11.87% in Fiscal 2019, 9.79% in Fiscal 2020, 9.90% in Fiscal 2021 and 9.62% in the three months ended June 30, 2021.

### **Principal Factors Affecting our Financial Condition and Results of Operations**

The following describes certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations.

#### ***Growth of India's economy and evolving consumption and distribution patterns***

Demand for our services has benefited from the growth of India's GDP and the e-commerce industry in particular. According to the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer, India's GDP grew at a CAGR of 7% annually between 2015 and 2019, and is expected to further grow at a CAGR of approximately 9% between 2020 and 2025. Demand for our services is correlated with India's consumption growth, which will be driven by its young population, growing middle-income segment, availability of low-cost smartphones and low-cost, reliable internet. These trends are expected to result in India's online shoppers doubling to 330-350 million by Fiscal 2026, driving growth of sectors such as e-commerce, D2C and social commerce, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer. The D2C and social commerce segments are expected to witness 6-10 times growth in annual shipment volumes between Fiscal 2021 and Fiscal 2026, which will further drive demand for our services. The e-commerce industry in India grew at a CAGR of 31% between Fiscal 2018 and Fiscal 2020, and is estimated to further grow at a CAGR of 30-33% from Fiscal 2020 to Fiscal 2026, as per the RedSeer Report, which has been exclusively commissioned and paid for by us in connection with the Offer.

In addition, supply chains have become increasingly complex due to the evolving consumption patterns and changing distribution patterns as a result of regulatory changes, such as those relating to GST. This has increased demand from enterprise customers for end-to-end supply chain services.

#### ***Volume and mix of services***

Volume of shipments is the key driver of revenue in each of our service offerings. The other characteristics of shipments such as weight or dimension, travel distance, mode of transportation, payment method, storage duration at our warehouses and nature of the customer have a significant impact on pricing and therefore on our revenues and results of operation.

We experience seasonality in our express parcel volumes correlating to the seasonality patterns associated with e-commerce in India. For example, our customers generally hold special promotional campaigns during the Diwali festive period and other holidays in India from August to November every year. We typically observe peaks in shipment volumes immediately following these campaigns which typically results in our third fiscal quarter being the highest revenue quarter during the fiscal year. Our other service offerings do not experience significant seasonality.

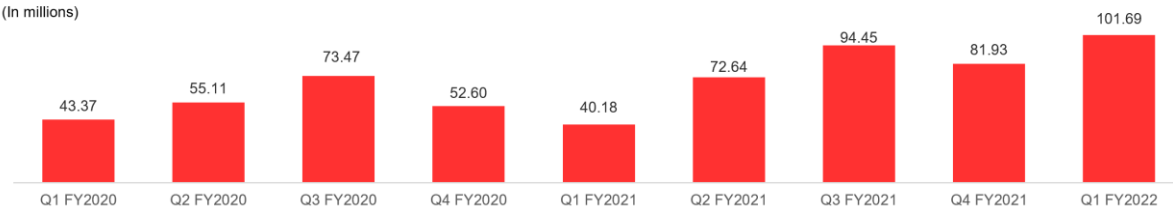
During the three months ended March 31, 2020 and June 30, 2020, our shipment volumes across our service offerings were impacted due to the government-mandated nation-wide lock-down and restrictions on inter-state movement in response to the COVID-19 pandemic, including restrictions on the transportation of non-essential goods. However, with the phased relaxation of lock-downs during the three months ended September 30, 2020 and December 31, 2020, our shipment volumes recovered strongly. We were able to continue providing our services throughout the lock-down due to (i) our technology systems and data intelligence, which enabled us to differentiate between essential and non-essential goods and the restrictions in place in each zone, (ii) the level of automation of our facilities, particularly our sorters, which reduced our reliance on manpower, and (iii) our network architecture which is designed to perform under large volume fluctuations.

In the three months ended March 31, 2021 and June 30, 2021, while the second wave of the COVID-19 pandemic further induced restrictions on mobility, albeit with fewer restrictions than during the first wave of the pandemic, we were able to continue our operations with fewer disruptions to business volumes.

Our quarterly express parcel shipment volumes are as shown in the exhibit below:

### Express Parcel Shipments – Quarterly

(In millions)

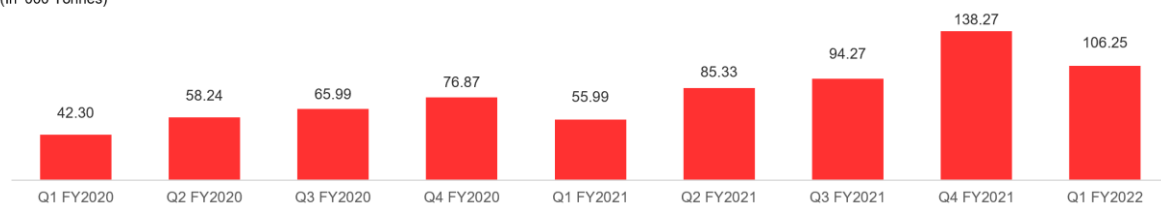


Express parcel shipment volumes decreased from 73.47 million parcels in the three months ended December 31, 2019 to 52.60 million parcels in the three months ended March 31, 2020 and 40.18 million parcels in the three months ended June 30, 2020 on account of restrictions due to COVID-19. Post relaxation of COVID-19 related restrictions, Express parcel shipment volumes increased to 72.64 million parcels in the three months ended September 30, 2020 and further increased to 94.45 million parcels in the three months ended December 31, 2020 due to seasonal peaks in demand, partly attributable to our customers' special promotional campaigns. Express parcel shipment volumes decreased slightly to 81.93 million parcels in the three months ended March 31, 2021 as compared to the three months ended December 31, 2020 as a result of seasonal fluctuations in customer demand and the tightening of COVID-19-related restrictions.

Our quarterly PTL freight tonnage volumes are as shown in the exhibit below:

### PTL Freight Tonnage – Quarterly

(In '000 Tonnes)

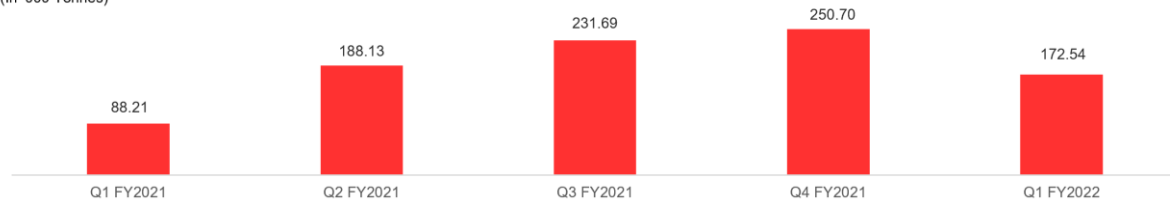


PTL freight tonnage volumes decreased from 76,873 tonnes in the three months ended March 31, 2020 to 55,987 tonnes in the three months ended June 30, 2020 on account of restrictions due to COVID-19. The easing of the lockdowns led to the recovery of PTL freight tonnage in the three months ended September 30, 2020 and December 31, 2020. PTL volumes were also impacted during the three months ended June 30, 2021, on account of new lock-downs imposed during the second wave of COVID-19.

We acquired Spoton in August 2021. Spoton's quarterly PTL freight tonnage volumes are shown in the exhibit below:

### Spoton PTL Freight Tonnage – Quarterly

(In '000 Tonnes)



### Expansion of our relationships with existing customers

We served a diverse base of 21,342 Active Customers across e-commerce, consumer durables, electronics, lifestyle, FMCG, industrial goods, automotive, healthcare and retail, in the three months ended June 30, 2021. As of June 30, 2021, this customer base included most of the key e-commerce players in India and over 675 D2C brands. In addition, Spoton offers PTL freight services to more than 5,392 Active Customers across industry verticals. Several of our customers used more than one of our service offerings, with over 55% of our revenue for the three months ended June 30, 2021 coming from customers who had used at least two of our services.



Our service quality, reach and efficiency, coupled with deep integration with customers' ERP systems and business processes have led to high customer retention rates. In the first quarter of Fiscal 2022, over 64.00% of our revenues were from customers who have been transacting with us for over 3 years. Our customers have also steadily increased the volume of business they undertake with us over time.

Our aim is to meet our customers' requirements for overall, rather than mono-line, supply chain reliability and efficiency. We provide a full-range of integrated logistics services, along with value added services which enable us to cross-sell our services to existing customers. We believe this approach helps us in achieving a higher share of customer wallet and high customer retention. We intend to continue to expand wallet share with existing customers by designing customised and integrated supply chain solutions for their specific needs and industries and introducing best practices from our experiences with customers.

In addition, we intend to increase our penetration in new industries, such as healthcare, distribution, agriculture and commodities, among others. We also intend to launch new services and capabilities such as traditional non-express PTL freight, domestic air-freight, intra-city distribution and temperature-controlled logistics to expand our value proposition to existing and new customers. For example, in June 2021, we launched Delhivery Direct, which enables individual customers to ship parcels from their homes.

### *Cost-effectiveness of our business*

Our profitability depends on the cost-effectiveness of our integrated platform. In order to maintain the competitiveness of our services and enhance our profit margins, we must continuously control our costs and improve our operating efficiency.

Our proprietary technology and data capabilities enable us to (i) achieve scale, which drives operating leverage, (ii) design, engineer and orchestrate our network in a manner that results in operational efficiency and (iii) offer integrated service offerings that facilitate cost-sharing. This has resulted in the cost-effectiveness of our operations and improvements in our profitability.

### *Scale and operating leverage*

Our network structure, quality of engineering and technology and data intelligence capabilities have enabled us to establish scale in the majority of our service offerings and ensure synergies across service offerings. Our ability to build mono-line scale and exploit cross-line synergies allows us to share efficiency gains with our customers, such as through the lowering of price per parcel over the years, thereby reducing our customers' supply chain costs and allowing them to benefit from each other through our platform. This has created significant defensibility in our wallet share, while also improving our profitability.

We believe that we have significant operating leverage in our operations, and as the scale of our business grows further, we will be better able to absorb fixed expenses, increase resource utilisation, enhance employee efficiency and improve our profitability, while maintaining service speed and reliability. Our revenue from contracts with customers has improved from ₹16,538.97 million in Fiscal 2019 to ₹36,465.27 million in Fiscal 2021, while our restated loss for the year has improved from ₹17,833.04 million to ₹4,157.43 million. Our Adjusted EBITDA Margin has improved from (11.35%) in Fiscal 2019 to (9.11%) in Fiscal 2020, (6.95%) in Fiscal 2021 and (3.87%) in the three months ended June 30, 2021. The Adjusted EBITDA margin has improved for the three months ended June 30, 2021 despite the impact of COVID-19 and the impact of investments for capacity expansion that we undertook during the quarter to address the seasonality-driven volume increases in the second half of Fiscal 2021. See "*Non-GAAP Financial Measures—Adjusted EBITDA and Adjusted EBITDA Margin.*"

### *Network design and engineering*

The design, engineering and orchestration of our infrastructure and network significantly contribute towards optimising the key costs in our business, such as cost of transportation, cost of manpower and cost of real estate. Our network operates as a dense, dynamic mesh, making it agile and efficient in responding to changes in volumes, shipment profiles and environmental conditions. The mesh structure allows us to reduce overall touchpoints in the journey of shipments through the network, while also allowing us to utilise multiple feasible trans-shipment paths in periods of volatility.

We use data intelligence to design our network by identifying optimal facility locations and size and optimal shipment routing paths. This reduces handling, improves precision and optimises travel distance, resulting in lower cost per shipment. We have used machine learning extensively to build tools such as intelligent geo-location, load aggregation, ETA prediction, product identification and fraud detection that enable us to execute operations with greater precision, which further contributes to cost reduction.

We also deploy significant automation to improve efficiency, precision and utilisation, which further enables us to reduce our cost of operations. We have developed in-house capabilities in design and deployment of automation and hardware for shipment sortation, box/ bag sortation, and weighing and dimensioning. These automated systems are fully integrated with our logistics operating system, thereby reducing human intervention and improving productivity of our operational teams.

#### *Integration*

The integrated service offerings allow us to leverage network and infrastructure synergies, reduce our dependence on any single business line and also reduce the effect of cyclicalities in our customers' businesses on our operations. For instance, the more stable volumes from our PTL business help to normalize the fluctuations in shipment volumes in our express parcel business, which experiences festival and sale-driven volume surge at certain times of the year. This ultimately leads to lower costs due to our ability to operate with higher fixed capacities and share infrastructure and operational costs across service offerings.

We have adopted various cost-control measures to make our platform more cost-efficient. For example, some of these measures include the use of more fuel-efficient vehicles to reduce fuel costs, the addition of cost efficient, high-capacity line-haul trucks to our self-owned fleet to reduce unit transportation costs, the introduction of a TL platform which sources trips directly from fleet owners and increased deployment of automated equipment at our facilities to reduce employee costs and increase throughput.

#### *Continued investment in our platform*

Investments in our business have a significant impact on our result of operations. Undertaking timely and adequate investments to improve the scale, efficiency, reliability and automation of our network impacts our ability to address the growing sophisticated needs of our customers. This, in turn, determines the future growth of our revenue and cost base and thus impacts our profitability. Our network design and architecture decisions are long term in nature and involve making investments in our platform in advance of expected growth in volumes.

Key elements of our investments in our platform include:

- **Technology investments:** We reinforce our innovation capabilities by building sophisticated technology and data systems and investing in the best engineering talent. We intend to externalise our logistics operating system and launch new technology and data products for customers and other ecosystem partners in India and globally and simultaneously improve the scalability, flexibility and robustness of our technology and data products.
- **Infrastructure investments:** We invest in the expansion of our operational capabilities, network infrastructure and capacity across service offerings, and develop and deploy automation equipment and future-ready hardware solutions in our operations. We will continue to invest in the expansion of our fulfilment network and in-city micro-fulfilment centres to expand our fulfilment offerings to vertical e-commerce, D2C and large consumer brand customers.
- **People investments:** We continuously invest in attracting and retaining top talent across business divisions, including investing in growing our team of experienced professionals, such as software and hardware engineers, data scientists, machine learning engineers, machine vision domain experts, product managers and product designers.

#### **Critical Accounting Policies**

##### *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.

##### *Performance obligation*

In recognizing revenue from contracts, at contract inception, the Company assesses the goods and services promised in contracts with customers and identifies various performance obligations to provide distinct goods and services to the customers. The Company determines the 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, such as discounts offered by the company as part of the contract.

### ***Delivery services***

Delivery services include:

- 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 recognised 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 provides 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 performs the primary obligation of delivery of goods.

### ***Other allied services***

Other allied services include revenue from supply chain services.

Revenue from these services is 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 and service tax (“**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 recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

We consider 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, we consider the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customers (if any).

### ***Share based payments***

Our employees (including senior executives) 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 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 our best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the restated consolidated summary 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 our 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 restated consolidated summary 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.

### ***Leases***

On initial application of Ind AS 116, the Group has taken the cumulative adjustment to retained earnings and Lease equalisation reserve, consequently the group discounted using the Group's incremental borrowing rate at April 1, 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 1, 2019.

For the purpose of preparing restated consolidated summary statements, Ind AS 116 has been applied from April 1, 2018.

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.

### ***We as a lessee***

We apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. We recognise lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### ***i) Right of use assets***

We recognise 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 entity 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.

#### ***ii) Lease liabilities***

At the commencement date of the lease, we recognise 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 entity 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, we use 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*

We apply the short-term lease recognition exemption to our 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).

## **Critical Accounting Estimates**

The preparation of the restated consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, 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.

### *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 restated consolidated 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 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 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 recognised in the restated 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.

### *Lease*

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.

### *Loss allowance on trade receivables*

The Group uses a provision matrix to calculate expected credit losses (“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 Group'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 materially 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 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.

## Results of Operations

The following table sets forth selected financial data from our restated consolidated statement of profit and loss for Fiscal 2019, 2020 and 2021, and in the three months ended June 30, 2021, the components of which are also expressed as a percentage of revenue from contracts with customers for such years.

	Fiscal 2019		Fiscal 2020		Fiscal 2021		Three months ended June 30, 2021	
	(₹ in million)	% of revenue from contracts with customers	(₹ in million)	% of revenue from contracts with customers	(₹ in million)	% of revenue from contracts with customers	(₹ in million)	% of revenue from contracts with customers
<b>Income</b>								
Revenue from Services	16,538.97	100.00%	27,748.25	99.79%	36,354.38	99.70%	11,539.12	87.58%
Revenue from Express Parcel Services	13,730.73	83.02%	19,288.56	69.37%	25,505.15	69.94%	7,854.29	59.61%
Revenue from Part Truck Load Services	1,402.21	8.48%	2,306.50	8.30%	3,841.61	10.53%	1,175.77	8.92%
Revenue from Truck Load Services	—	—	3,659.33	13.16%	2,141.29	5.87%	552.61	4.19%
Revenue from Supply Chain Services	1,320.09	7.98%	2,149.22	7.73%	3,900.58	10.70%	1,056.21	8.02%
Revenue from Cross-Border Services	85.94	0.52%	344.30	1.24%	963.63	2.64%	899.63	6.83%
Others	—	—	0.34	0.00%	2.12	0.01%	0.61	0.00%
Revenue from Sale of Traded Goods	—	—	57.50	0.21%	110.89	0.30%	1,638.10	12.43%
<b>Revenue from contracts with customers</b>	<b>16,538.97</b>	<b>100.00%</b>	<b>27,805.75</b>	<b>100.00%</b>	<b>36,465.27</b>	<b>100.00%</b>	<b>13,177.22</b>	<b>100.0%</b>
Other income	409.77	2.48%	2,080.54	7.48%	1,917.64	5.26%	462.89	3.51%
<b>Total income</b>	<b>16,948.74</b>	<b>102.48%</b>	<b>29,886.29</b>	<b>107.48%</b>	<b>38,382.91</b>	<b>105.26%</b>	<b>13,640.11</b>	<b>103.51%</b>
<b>Expenses</b>								
Freight, handling and servicing cost	12,506.83	75.62%	21,837.96	78.54%	27,780.82	76.18%	8,679.06	65.86%
Purchase of traded goods	—	—	57.69	0.21%	102.08	0.28%	1,621.33	12.30%
Change in inventory of traded goods	—	—	—	—	—	—	(62.30)	(0.47)%
Employee benefit expense	3,446.39	20.84%	4,908.94	17.65%	6,109.23	16.75%	2,064.51	15.67%
Fair value loss on financial liabilities at fair value through profit or loss	14,806.64	89.53%	—	—	91.95	0.25%	320.12	2.43%
Finance costs	358.13	2.17%	492.18	1.77%	886.27	2.43%	227.24	1.72%
Depreciation and amortisation expense	1,700.05	10.28%	2,555.91	9.19%	3,546.20	9.72%	817.88	6.21%
Other expenses	1,963.74	11.87%	2,721.63	9.79%	3,610.49	9.90%	1,268.07	9.62%
<b>Total expenses</b>	<b>34,781.78</b>	<b>210.30%</b>	<b>32,574.31</b>	<b>117.15%</b>	<b>42,127.04</b>	<b>115.53%</b>	<b>14,935.91</b>	<b>113.35%</b>

	Fiscal 2019		Fiscal 2020		Fiscal 2021		Three months ended June 30, 2021	
	(₹ in million)	% of revenue from contracts with customers	(₹ in million)	% of revenue from contracts with customers	(₹ in million)	% of revenue from contracts with customers	(₹ in million)	% of revenue from contracts with customers
<b>Restated loss before exceptional item and tax</b>	<b>(17,833.04)</b>	<b>(107.82)%</b>	<b>(2,688.02)</b>	<b>(9.67)%</b>	<b>(3,744.13)</b>	<b>(10.27)%</b>	<b>(1,295.80)</b>	<b>(9.83)%</b>
Exceptional items	—	—	—	—	(413.30)	(1.13)%	—	—
<b>Restated loss before tax</b>	<b>(17,833.04)</b>	<b>(107.82)%</b>	<b>(2,689.02)</b>	<b>(9.67)%</b>	<b>(4,157.43)</b>	<b>(11.40)%</b>	<b>(1,295.80)</b>	<b>(9.83)%</b>
Tax expense, comprising:								
Current tax	—	—	(1.24)	0.0%	—	—	—	—
Deferred tax	—	—	—	—	—	—	—	—
<b>Total tax expense</b>	<b>—</b>	<b>—</b>	<b>(1.24)</b>	<b>0.0%</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
<b>Restated loss for the year/period</b>	<b>(17,833.04)</b>	<b>(107.82)%</b>	<b>(2,689.26)</b>	<b>(9.67)%</b>	<b>(4,157.43)</b>	<b>(11.4)%</b>	<b>(1,295.80)</b>	<b>(9.83)%</b>

### *Three months ended June 30, 2021*

#### *Income*

Our revenue from contracts with customers was ₹13,177.22 million for the three months ended June 30, 2021. Our revenue from services contributed ₹11,539.12 million or 87.57% of our total revenue from contracts with customers for this period. Our revenue from sale of traded goods contributed ₹1,638.10 million or 12.43% our total revenue from contracts with customers for this period.

Revenue from express parcel services contributed ₹7,854.29 million, or 59.61% of our total revenue from contracts with customers for this period, driven by parcel volume of 101.69 million parcels during such period.

Revenue from part truck load services contributed ₹1,175.77 million, or 8.92% of our total revenue from contracts with customers for this period, driven by freight volume of 106,245 tonnes.

Revenue from truck load services contributed ₹552.61 million, or 4.19% of our total revenue from contracts with customers for this period.

Revenue from supply chain services contributed ₹1,056.21 million, or 8.02% of our total revenue from contracts with customers for this period.

Revenue from cross-border services contributed ₹899.63 million, or 6.83% of our total revenue from contracts with customers for this period.

#### *Other income*

Our other income was ₹462.89 million for the three months ended June 30, 2021, which consisted of finance income of ₹241.19 million and other non-operating income of ₹221.70 million.

#### *Expenses*

Our total expenses were ₹14,935.91 million for the three months ended June 30, 2021, representing 113.35% of our total revenue from contracts with customers for the period.

#### *Freight, handling and servicing cost*

Our freight, handling and servicing cost was ₹8,679.06 million for the three months ended June 30, 2021, mainly comprising (i) ₹4,284.88 million in line haul expenses; (ii) ₹1,280.64 million in contractual manpower expenses; (iii) ₹2,223.44 million in vehicle rental expenses; and (iv) ₹303.32 million in rent. As a percentage of our revenue

from contracts with customers, our freight, handling and servicing cost was 65.86% for the three months ended June 30, 2021.

#### *Purchase of traded goods*

We recognised purchase of traded goods of ₹1,621.33 million for the three months ended June 30, 2021, which primarily corresponded with the cost of certain goods that we purchased and sold in back-to-back arrangements.

#### *Employee benefit expense*

Our employee benefit expense was ₹2,064.51 million for the three months ended June 30, 2021, primarily comprising (i) ₹1,431.69 million in salaries, wages and bonus paid to our employees; and (ii) ₹437.20 million in share based payment expense. As of June 30, 2021, we had 12,665 permanent employees.

#### *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 ₹320.12 million for the three months ended June 30, 2021 due to an increase in fair market value of Series G CCCPS as per the terms of these CCCPS in accordance with IndAS 109 accounting standards. This did not affect the Company's cash flow in the three months ended June 30, 2021.

#### *Finance costs*

Our finance cost was ₹227.24 million for the three months ended June 30, 2021, primarily comprising ₹173.05 million in interest on lease liabilities. These lease liabilities relate to rent payments for our leased logistics facilities.

#### *Depreciation and amortisation expense*

Our depreciation and amortisation expense was ₹817.88 million for the three months ended June 30, 2021, comprising (i) depreciation of right-of-use assets of ₹485.85 million which relate to our leased logistics facilities; (ii) depreciation of property, plant and equipment of ₹315.35 million; and (iii) amortisation of intangible assets of ₹16.68 million.

#### *Other expenses*

Our other expenses was ₹1,268.07 million for the three months ended June 30, 2021 comprising primarily (i) ₹363.08 million in allowance for doubtful debts which represent provision for certain outstanding trade receivables; (ii) ₹256.76 million in software and technology expenses; and (iii) ₹118.94 million in repairs and maintenance.

#### *Restated loss for the year*

As a result of the foregoing factors, our restated loss for the period was ₹1,295.80 million.

### **Fiscal 2021 compared to Fiscal 2020**

#### ***Income***

Our revenue from contracts with customers increased by 31.14% to ₹36,465.27 million in Fiscal 2021 from ₹27,805.75 million in Fiscal 2020, primarily driven by an increase in revenue from services.

Our revenue from services increased by 31.02% to ₹36,354.38 million in Fiscal 2021 from ₹27,748.25 million in Fiscal 2020, primarily due to an increase in revenue from express parcel services, PTL freight services, cross border services and supply chain services driven by an increase in operating volumes, partially offset by a decrease in TL freight services. The number of Active Customers who used our services increased to 16,741 Active Customers in Fiscal 2021 from 7,957 Active Customers in Fiscal 2020. Our revenue and operating volumes across our service offerings were impacted by the COVID-19 pandemic and related lockdown measures in Fiscal 2021 during three months ended June 30, 2020 and the three months ended March 31, 2021. Meanwhile, our revenue from sale of traded goods increased by 92.85% to ₹110.89 million in Fiscal 2021 from ₹57.50 million in Fiscal 2020.



Our revenue from express parcel services increased by 32.23% to ₹25,505.15 million in Fiscal 2021 from ₹19,288.56 million in Fiscal 2020 due to an increase in express parcel shipment volume by 28.79% to 289.20 million parcels in Fiscal 2021 from 224.55 million parcels in Fiscal 2020.

Our revenue from part truck load services increased by 66.56% to ₹3,841.61 million in Fiscal 2021 from ₹2,306.50 million in Fiscal 2020 due to an increase in freight volume by 53.59% to 373,854 tonnes in Fiscal 2021 from 243,400 tonnes in Fiscal 2020.

Our revenue from truck load services decreased by 41.48% to ₹2,141.29 million in Fiscal 2021 from ₹3,659.33 million in Fiscal 2020 due to a decrease in TL trips in Fiscal 2021 on account of the COVID-19 pandemic and related lockdown measures in Fiscal 2021 during the three months ended June 30, 2020 and the three months ended March 31, 2021 and changes in our customer targeting strategy during that period.

Our revenue from supply chain services increased by 81.49% to ₹3,900.58 million in Fiscal 2021 from ₹2,149.22 million in Fiscal 2020 due to an increase in the number of customers and volumes handled.

Our revenue from cross-border services increased by 179.88% to ₹963.63 million in Fiscal 2021 from ₹344.30 million in Fiscal 2020 due to an increase in volumes handled.

#### *Other income*

Our other income decreased by 7.83% to ₹1,917.64 million in Fiscal 2021 from ₹2,080.54 million in Fiscal 2020, primarily due to a decrease in interest income on bank deposits and current investments and a decrease in net gain on mutual funds, which was partially offset by an increase in interest income on non-current investments.

#### *Expenses*

Our total expenses increased by 29.33% to ₹42,127.04 million in Fiscal 2021 from ₹32,574.31 million in Fiscal 2020. As a percentage of total income, our total expenses were 109.75% in Fiscal 2021 as compared to 108.99% in Fiscal 2020. In addition to increased expenses incurred to deliver higher volumes during the period, the impact of the COVID-19 pandemic and related lockdown measures in Fiscal 2021 resulted in an increase in certain input costs due to reduced availability of manpower and rapidly changing directives by local authorities.

#### *Freight, handling and servicing cost*

Our freight, handling and servicing cost increased by 27.21% to ₹27,780.82 million in Fiscal 2021 from ₹21,837.96 million in Fiscal 2020 primarily due to an increase in shipment volumes. There was a significant increase in the deployment of vehicles, contractual manpower and real estate space in our network to handle the increased volumes.

This resulted in (i) an increase in line haul expenses by 21.51% to ₹13,276.94 million in Fiscal 2021 from ₹10,926.37 million in Fiscal 2020, in line with the increase in revenue from express services, PTL services, supply chain services and cross-border services in Fiscal 2021 and the increase in diesel prices; (ii) an increase in contractual manpower expenses by 17.38% to ₹4,727.92 million in Fiscal 2021 from ₹4,027.79 million in Fiscal 2020 due to an increase in the number of contractual manpower and an increase in wages; and (iii) an increase in vehicle rental expenses by 60.95% to ₹6,800.53 million in Fiscal 2021 from ₹4,225.26 million in Fiscal 2020 as we hired more vehicles for pick-up and delivery to better handle the increased shipment volume and due to an increase in diesel prices.

#### *Employee benefit expense*

Our employee benefit expenses increased by 24.45% to ₹6,109.23 million in Fiscal 2021 from ₹4,908.94 million in Fiscal 2020 primarily due to (i) an increase in our employee headcount to 11,791 as of March 31, 2021 from 9,975 as of March 31, 2020; (ii) increments paid to existing employees during Fiscal 2021; and (iii) an increase in our share-based payment expense by 48.16% to ₹723.12 million in Fiscal 2021 from ₹488.05 million in Fiscal 2020 on account of additional grants of options in Fiscal 2021 as compared to Fiscal 2020.

#### *Finance costs*

Our finance costs increased by 80.07% to ₹886.27 million in Fiscal 2021 from ₹492.18 million in Fiscal 2020, primarily due to (i) an increase in amortised interest on lease liabilities by 80.70% to ₹683.05 million in Fiscal 2021 from ₹377.99 million in Fiscal 2020 due to an increase in leased real estate space for our logistics facilities

as the scale of our operations increased; and (ii) an increase in interest at amortised cost to banks by 83.11% to ₹150.10 million in Fiscal 2021 from ₹81.98 million in Fiscal 2020, due to an increase in borrowings.

#### *Depreciation and amortisation expense*

Our depreciation and amortisation expense increased by 38.75% to ₹3,546.20 million in Fiscal 2021 from ₹2,555.91 million in Fiscal 2020, primarily due to (i) an increase in the depreciation on property, plant and equipment by 18.56% to ₹1,567.32 million in Fiscal 2021 from ₹1,321.94 million in Fiscal 2020; and (ii) an increase in the depreciation on right-of-use assets by 65.40% to ₹1,902.32 million in Fiscal 2021 from ₹1,150.15 million in Fiscal 2020 due to higher carrying amounts of right-of-use assets to ₹7,828.04 million in Fiscal 2021 from ₹4,781.14 million in Fiscal 2020 on account of an increase in leased real estate space for our logistics facilities.

#### *Other expenses*

Our other expenses increased by 32.66% to ₹3,610.49 million in Fiscal 2021 from ₹2,721.63 million in Fiscal 2020, primarily due to (i) an increase in allowances for doubtful debts by 99.77% to ₹894.78 million in Fiscal 2021 from ₹447.91 million in Fiscal 2020 in line with the increase in revenue and higher allowances to account for the impact of COVID-19 on our customers; (ii) an increase in software and technology expenses by 27.57% to ₹782.60 million in Fiscal 2021 from ₹613.48 million in Fiscal 2020 due to an increase in our operating volumes; and (iii) an increase in repairs and maintenance by 32.49% to ₹335.95 million in Fiscal 2021 from ₹253.57 million in Fiscal 2020 due to the growth in the scale of our operations.

#### *Exceptional items*

We had exceptional items of ₹413.30 million in Fiscal 2021 primarily due to an allowance for doubtful debt in view of anticipated non-recovery of certain debt in the near future mainly because of a ban on certain business units imposed by the GoI.

#### **Restated loss for the year**

As a result of the foregoing factors, our restated loss for the year increased to ₹4,157.43 million in Fiscal 2021 from a net loss of ₹2,689.26 million in Fiscal 2020.

#### **Fiscal 2020 compared to Fiscal 2019**

##### ***Income***

Our revenue from contracts with customers increased by 68.12% to ₹27,805.75 million in Fiscal 2020 from ₹16,538.97 million in Fiscal 2019, primarily driven by an increase in revenue from services.

Our revenue from services increased by 67.77% to ₹27,748.25 million in Fiscal 2020 from ₹16,538.97 million in Fiscal 2019, primarily due to an increase in revenue across all of our services, driven by an increase in operating volumes. The number of Active Customers who used our services increased to 7,957 Active Customers in Fiscal 2020 from 4,867 Active Customers in Fiscal 2019. Our revenue and operating volumes across our service offerings were adversely impacted by the COVID-19 pandemic and related lockdown measures during the three months ended March 31, 2020.

Our revenue from express parcel services increased by 40.48% to ₹19,288.56 million in Fiscal 2020 from ₹13,730.73 million in Fiscal 2019 due to an increase in express parcel shipment volume by 51.22% to 224.55 million parcels in Fiscal 2020 from 148.49 million parcels in Fiscal 2019. The shipment volumes were impacted by the COVID-19 pandemic and related lockdown measures in Fiscal 2020 during the three months ended March 31, 2020.

Our revenue from part truck load services increased by 64.49% to ₹2,306.50 million in Fiscal 2020 from ₹1,402.21 million in Fiscal 2019 due to an increase in shipment volume by 100.12% to 243,400 tonnes in Fiscal 2020 from 121,626 tonnes in Fiscal 2019.

Our revenue from truck load services was ₹3,659.33 million in Fiscal 2020. We launched TL services for third-party customers in Fiscal 2020.

Our revenue from supply chain services increased by 62.81% to ₹2,149.22 million in Fiscal 2020 from ₹1,320.09 million in Fiscal 2019 due to an increase in the number of customers and volumes handled.

Our revenue from cross-border services increased by 300.63% to ₹344.30 million in Fiscal 2020 from ₹85.94 million in Fiscal 2019 due to an increase in volumes handled.

#### *Other income*

Our other income increased by 407.74% to ₹2,080.54 million in Fiscal 2020 from ₹409.77 million in Fiscal 2019, primarily due to an increase in interest income on bank deposits, non-current investment and current investments and an increase in net gain from the sale of mutual funds in which we had invested surplus cash.

#### *Expenses*

Our total expenses decreased by 6.35% to ₹32,574.31 million in Fiscal 2020 from ₹34,781.78 million in Fiscal 2019. As a percentage of total income, our total expenses were 108.99% in Fiscal 2020 compared to 205.22% in Fiscal 2019.

#### *Freight, handling and servicing cost*

Our freight, handling and servicing cost increased by 74.61% to ₹21,837.96 million in Fiscal 2020 from ₹12,506.83 million in Fiscal 2019 primarily due to a change in revenue mix and an increase in shipment volumes across service offerings. Revenue from truck load services increased to 13.16% of our revenue from contracts with customers in Fiscal 2020 from nil in Fiscal 2019 and freight, handling and servicing cost typically constitute a significant majority of direct costs for TL service offering. There was a significant increase in the deployment of vehicles, contractual manpower and real estate space in our network to handle the increased volumes.

This resulted in (i) an increase in line-haul expenses by 133.08% to ₹10,926.37 million in Fiscal 2020 from ₹4,687.81 million in Fiscal 2019, due to an increase in diesel prices and in line with the increased revenue contribution from TL service offering in Fiscal 2020 as compared to Fiscal 2019; (ii) an increase in contractual manpower expenses by 42.70% to ₹4,027.79 million in Fiscal 2020 from ₹2,822.62 million in Fiscal 2019 due to an increase in the number of contractual manpower and an increase in wages; (iii) an increase in vehicle rental expenses by 56.95% to ₹4,225.26 million in Fiscal 2020 from ₹2,692.16 million in Fiscal 2019 due to the increase in diesel prices and as we hired more vehicles for pick-up and delivery to handle the increased shipment volumes; and (iv) an increase in rent by 41.59% to ₹1,048.80 million in Fiscal 2020 from ₹740.75 million in Fiscal 2019 due to an increase in real estate space leased for our logistics facilities and rent escalations and renegotiations.

#### *Employee benefit expense*

Our employee benefit expenses increased by 42.44% to ₹4,908.94 million in Fiscal 2020 from ₹3,446.39 million in Fiscal 2019 primarily due to (i) an increase in our employee headcount to 9,975 as of March 31, 2020 from 7,683 as of March 31, 2019; (ii) increments paid to existing employees during Fiscal 2020; and (iii) an increase in our share-based payment expense by 28.63% to ₹488.05 million in Fiscal 2020 from ₹379.44 million in Fiscal 2019 on account of additional grants of options in Fiscal 2020 as compared to Fiscal 2019.

#### *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 nil in Fiscal 2020 as compared to ₹14,806.64 million in Fiscal 2019. The non-cash fair value loss in Fiscal 2019 was due to an increase in the fair market value of our buyback obligations for certain CCCPS as per the terms of these CCCPS, in accordance with IndAs 109 accounting standards. The terms of these CCCPS were modified in Fiscal 2019, following which the buyback obligations were no longer applicable, resulting in no non-cash fair value losses in Fiscal 2020. These obligations did not affect our cash flow in Fiscal 2019 or Fiscal 2020.

#### *Finance costs*

Our finance costs increased by 37.43% to ₹492.18 million in Fiscal 2020 from ₹358.13 million in Fiscal 2019, primarily due to (i) an increase in interest on lease liabilities by 46.85% to ₹377.99 million in Fiscal 2020 from ₹257.41 million in Fiscal 2019 on account of an increase in leased real estate space for our logistics facilities as the scale of our operations increased; and (ii) an increase in interest at amortized cost to banks by 16.77% to ₹81.98 million in Fiscal 2020 from ₹70.20 million in Fiscal 2019, due to an increase in borrowings.

#### *Other expenses*

Our other expenses increased by 38.59% to ₹2,721.63 million in Fiscal 2020 from ₹1,963.74 million in Fiscal 2019, primarily due to (i) an increase in allowances for doubtful debts by 62.64% to ₹447.91 million in Fiscal 2020 from ₹275.40 million in Fiscal 2019, in line with the increase in revenue and higher allowances to account for the impact of COVID-19 on our customers; (ii) an increase in software and technology expenses by 48.86% to ₹613.48 million in Fiscal 2020 from ₹412.11 million in Fiscal 2019 due to an increase in our operating volumes; and (iii) an increase in repair and maintenance expenses by 4.13% to ₹253.57 million in Fiscal 2020 from ₹243.51 million in Fiscal 2019 due to the growth in the scale of our operations.

#### *Depreciation and amortisation expense*

Our depreciation and amortisation expense increased by 50.34% to ₹2,555.91 million in Fiscal 2020 from ₹1,700.05 million in Fiscal 2019, primarily due to (i) an increase in the depreciation on property, plant and equipment by 47.58% to ₹1,321.94 million in Fiscal 2020 from ₹895.76 million in Fiscal 2019; (ii) an increase in the amortisation of intangible assets by 120.49% to ₹83.82 million in Fiscal 2020 from ₹38.01 million in Fiscal 2019 due to the full-year impact of the amortization of certain intangible assets that were acquired during Fiscal 2019; and (iii) an increase in the depreciation of right-of-use assets by 50.09% to ₹1,150.15 million in Fiscal 2020 from ₹766.28 million in Fiscal 2019 due to higher carrying amounts of right-of-use assets to ₹4,781.14 million in Fiscal 2020 from ₹2,975.12 million in Fiscal 2019 on account of an increase in leased real estate space for our logistics facilities.

#### *Restated loss for the year*

As a result of the foregoing factors, we reduced our restated loss for the year for Fiscal 2020 to ₹2,689.26 million from a net loss of ₹17,833.04 million for Fiscal 2019.

#### **Selected Restated Consolidated Statement of Assets and Liabilities**

The following table shows selected financial data derived from our restated consolidated summary statement of assets and liabilities as of March 31, 2021, 2020 and 2019, and as of June 30, 2021.

	As of March 31,			As of June 30,
	2019	2020	2021	2021
	<i>(in ₹ million)</i>			
Total non-current assets (a)	7,929.54	17,845.50	17,673.00	20,730.01
Total current assets (b)	32,695.91	25,727.58	28,304.98	45,091.91
<b>Total assets (a+b = c)</b>	<b>40,625.45</b>	<b>43,573.08</b>	<b>45,977.98</b>	<b>65,821.92</b>
Total equity (d)	33,882.83	31,704.06	28,367.97	47,436.28
Total liabilities (e)	6,742.62	11,869.02	17,610.01	18,385.64
<b>Total equity and liabilities (d+e = f)</b>	<b>40,625.45</b>	<b>43,573.08</b>	<b>45,977.98</b>	<b>65,821.92</b>

#### **Liquidity and Capital Resources**

Historically, our primary liquidity and capital requirements have been to finance the growth of our platform organically through investments in our service offerings, technology, infrastructure and team, and inorganically, through acquisitions, investments and partnerships. We have met these requirements through cash flows from operations, equity infusions from shareholders and borrowings. As of June 30, 2021, we had ₹1,668.16 million in cash and cash equivalents, ₹27,035.53 million in current investments and ₹6,949.88 million in trade receivables.

We believe that after taking into account the expected cash to be generated from operations, our borrowings and the proceeds from the Offer, we will have sufficient liquidity for our present requirements and anticipated requirements for capital expenditure and working capital for at least the next 12 months.

We typically pay our network partners, fleet partners, vendors and outsourcing firms within 60 days from the date we are invoiced, while we offer our customers payment terms of up to 90 days. Therefore, access to lower cost capital enables us to support our network partners and customers in the form of favourable working capital terms which results in stronger and stickier relationships with our network partners and customers, resulting in higher business volumes and facilitates the growth of our network partners which enables us to continue to be asset light. Access to low-cost capital also positions us well for acquisitions and other strategic partnerships, driving consolidation in our industry.

## Cash Flows

The table below summarises the statement of cash flows, as derived from our restated consolidated cash flow statements, for the periods indicated:

	Fiscal			Three months ended
	March 31,			June 30,
	2019	2020	2021	2021
	(₹ in million)			
Net cash flow (used in)/ from operating activities	(2,426.84)	(6,339.06)	47.69	(1,697.02)
Net cash (used in)/ flow from investing activities	(9,394.36)	(9,325.45)	3,382.92	(18,813.87)
Net cash flow from/ (used in) financing activities	28,584.21	(166.87)	(1,466.99)	19,420.43
Cash and cash equivalents at the end of the period/year	16,626.39	795.01	2,758.63	1,668.16

### Operating Activities

Net cash used in operating activities for the three months ended June 30, 2021 was ₹1,697.02 million. While our restated loss before tax was ₹1,295.80 million, we had an operating profit before working capital changes of ₹463.07 million, primarily due to adjustments for depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of right of use assets of ₹817.87 million, allowances for doubtful debts of ₹363.08 million, fair value loss on financial liabilities at fair value through profit or loss of ₹320.12 million and share based payment expense of ₹437.20 million. This was partially offset by adjustments for interest income of ₹210.55 million and fair value gain on investment at fair value through profit or loss of ₹151.74 million. Our working capital adjustments for three months ended June 30, 2021 primarily consisted of an increase in trade and other receivables of ₹1,368.37 million, increase in financial assets of ₹1,211.13 million and increase in other assets of ₹882.25 million, partially offset by an increase in trade payables of ₹710.62 million and an increase in other liabilities of ₹240.47 million and an income tax refund of ₹318.56 million.

Net cash flow from operating activities for Fiscal 2021 was ₹47.69 million. While our restated loss before tax was ₹4,157.43 million, we had an operating loss before working capital changes of ₹624.69 million, primarily due to adjustments for depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of right of use assets of ₹3,546.21 million, allowances for doubtful debts of ₹894.78 million, fair value loss on financial liabilities at fair value through profit or loss of ₹91.95 million and share based payment expense of ₹723.12 million. This was partially offset by adjustments for interest income of ₹1,150.36 million and fair value gain on investment at fair value through profit or loss of ₹325.01 million. Our working capital adjustments for Fiscal 2021 primarily consisted of an increase in trade and other receivables of ₹831.62 million, an increase in financial assets of ₹1,007.50 million, an increase in other assets of ₹303.01 million and an increase in loans of ₹237.44 million, partially offset by an increase in trade payables of ₹1,689.64 million and an increase in other liabilities of ₹304.55 million.

Net cash used in operating activities for Fiscal 2020 was ₹6,339.06 million. While our restated loss before tax was ₹2,688.02 million, we had an operating loss before working capital changes of ₹591.95 million, primarily due to adjustments for depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of right of use assets of ₹2,555.87 million, allowance for doubtful debts of ₹447.91 million and share based payment expense of ₹488.05 million. This was partially offset by adjustments for interest income of ₹1,419.65 million and fair value gain on investment at fair value through profit or loss of ₹133.50 million. Our working capital adjustments for Fiscal 2020 primarily consisted of an increase in trade and other receivables of ₹4,356.46 million and an increase in financial assets of ₹2,238.76 million, partially offset by an increase in trade payables of ₹1,130.30 million and an increase in other liabilities of ₹103.90 million.

Net cash used in operating activities for Fiscal 2019 was ₹2,426.84 million. While our restated loss before tax was ₹17,833.04 million, we had an operating loss before working capital changes of ₹474.05 million, primarily due to adjustments for depreciation of property, plant and equipment, amortisation of intangible assets and depreciation of right of use assets of ₹1,700.06 million, allowance for doubtful debts of ₹275.40 million, fair value loss on financial liabilities at fair value through profit and loss of ₹14,806.64 million and share based payment expense of ₹379.44 million. This was partially offset by adjustments for interest income of ₹319.32 million and fair value

gain on investment at fair value through profit or loss of ₹10.07 million. Our working capital adjustments for Fiscal 2019 primarily consisted of an increase in trade and other receivables of ₹826.53 million, an increase in financial assets of ₹452.82 million, a decrease in trade payables of ₹375.55 million and a decrease in other liabilities of ₹139.32 million.

#### *Investing Activities*

Net cash used in investing activities in the three months ended June 30, 2021 was ₹18,813.87 million, which primarily consisted of net payment to acquire financial assets - liquid mutual fund units and debt instruments of ₹18,477.32 million as part of our surplus cash management strategy, net investments in bank deposits (having original maturity of more than 12 months) including margin money deposits of ₹687.54 million and net purchase of property, plant and equipment (including other intangible assets, capital work in progress and capital advances) of ₹510.86 million, partially offset by interest received of ₹846.07 million and maturity of bank deposits (having original maturity of more than 3 months) of ₹15.78 million.

Net cash from investing activities in Fiscal 2021 was ₹3,382.92 million, which primarily consisted of maturity of bank deposits (having original maturity of more than three months) of ₹2,870.84 million, net proceeds from sale of financial assets - liquid mutual fund units, debt instruments of ₹1,021.09 million, net proceeds from maturity of bank deposits (having original maturity of more than 12 months) including margin money deposits of ₹1,257.17 million and interest received of ₹754.50 million, partially offset by net purchase of property, plant and equipment (including other intangible assets, capital work in progress and capital advances) of ₹2,485.68 million.

Net cash used in investing activities in Fiscal 2020 was ₹9,325.45 million, which primarily consisted of net investment in bank deposits (having original maturity of more than 12 months) including margin money deposits of ₹5,431.20 million, investments in bank deposits (having original maturity of more than three months) of ₹2,878.69 million and net purchase of property, plant and equipment (including other intangible assets, capital work in progress and capital advances) of ₹2,135.60 million, partially offset by interest received of ₹953.61 million and by net proceeds from sale of financial assets - liquid mutual fund units and debt instruments of ₹202.74 million.

Net cash used in investing activities in Fiscal 2019 was ₹9,394.36 million, which primarily consisted of net payment to acquire financial assets - liquid mutual fund units and debt instruments of ₹8,995.31 million as part of our surplus cash management strategy, payment towards acquisition of business of ₹265.40 million and purchase of property, plant and equipment (including other intangible assets, capital work in progress and capital advances) of ₹1,565.90 million, partially offset by net proceeds from maturity of bank deposits (having original maturity of more than 12 months, including margin money deposits) of ₹1,111.99 million, interest received of ₹319.32 million and maturity of bank deposits (having original maturity of more than three months) of ₹0.94 million.

#### *Financing Activities*

Net cash from financing activities in the three months ended June 30, 2021 was ₹19,420.43 million, which primarily consisted of proceeds from the issuance of equity share capital and instruments entirely equity in nature of ₹19,928.17 million and net proceeds from short-term borrowings of ₹274.66 million, partially offset by payment of interest and principal portions of lease liabilities of ₹553.87 million, repayment of long-term borrowings of ₹184.42 million and interest expense of ₹44.10 million.

Net cash used in financing activities in Fiscal 2021 was ₹1,466.99 million, which primarily consisted of payment of interest and principal portions of lease liabilities of ₹2,118.56 million and interest expense of ₹205.34 million, partially offset by net proceeds from short term borrowings of ₹532.58 million, proceeds from long-term borrowings of ₹133.20 million and proceeds from issuance of equity share capital and compulsorily convertible preference shares of ₹191.13 million.

Net cash used in financing activities in Fiscal 2020 was ₹166.87 million, which primarily consisted of payment of interest and principal portions of lease liabilities of ₹1,299.43 million and interest expense of ₹108.69 million, partially offset by net proceeds from short-term borrowings of ₹584.79 million and proceeds from long-term borrowings of ₹641.78 million.

Net cash from financing activities in Fiscal 2019 was ₹28,584.21 million, which primarily consisted of proceeds from the issuance of instruments entirely equity in nature of ₹28,900.96 million and proceeds from long term borrowings of ₹268.31 million, partially offset by payment of interest and principal portions of lease liabilities of ₹877.89 million, interest expense of ₹93.49 million and net repayments of short-term borrowings of ₹386.32 million.

## Contractual Obligations

The table below sets forth our contractual obligations with definitive payment terms as of June 30, 2021. These obligations primarily relate to our borrowings and trade payables.

	Less than 1 year	1-2 years	2-4 years	More than 4 years	Total
	(₹ in million)				
Trade payables	5,133.35	—	—	—	5,133.35
Borrowings	2,080.40	1,246.30	261.90	—	3,588.60
Lease payments	2,195.81	1,950.29	2,930.07	2,517.80	9,593.97
Other financial liabilities	11,400.25	—	—	—	11,400.25
<b>Total</b>	<b>20,809.81</b>	<b>3,196.59</b>	<b>3,191.97</b>	<b>2,517.80</b>	<b>29,716.17</b>

## Indebtedness

As of June 30, 2021, we had current borrowings of ₹1,972.05 million and non-current borrowings of ₹1,451.79 million, attributable to (i) a secured vehicle loan from bank with an outstanding balance of ₹247.40 million; (ii) a secured bank loan with an outstanding balance of ₹1,509.18 million; (iii) a secured bill discounting facility from bank of ₹1,162.25 million; and (iv) compulsorily convertible preference shares of ₹505.00 million.

Some of our financing agreements also include conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. For further information on our agreements governing our outstanding indebtedness, see “*Financial Indebtedness*” on page 456.

## Non-GAAP Financial Measures

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance and liquidity. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with Ind AS.

Non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with Ind AS. Non-GAAP financial information may be different from similarly-titled Non-GAAP measures used by other companies. Non-GAAP financial measures are not required by, or presented in accordance with, IndAS, Indian GAAP, IFRS or US GAAP. Our Non-GAAP financial measures are not a measurement of financial performance or liquidity under these accounting standards and should not be construed in isolation or construed as an alternative to cash flows, restated loss for the period or any other measures of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated from our operating, investing or financing activities, derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. The principal limitation of these Non-GAAP financial measures is that they exclude significant expenses and income that are required by IndAS to be recorded in our financial statements, as further detailed below. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these Non-GAAP financial measures. A reconciliation is provided below for each Non-GAAP financial measure to the most directly comparable financial measure prepared in accordance with Ind AS. Investors are encouraged to review the related Ind AS financial measures and the reconciliation of Non-GAAP financial measures to their most directly comparable Ind AS financial measures included below and to not rely on any single financial measure to evaluate our business.

## *Adjusted EBITDA and Adjusted EBITDA Margin*

EBITDA is a Non-GAAP financial measure that represents our restated loss for the period before total tax expenses, other income, depreciation and amortization expense, finance costs, exceptional items and fair value loss on financial liabilities at fair value through profit or loss. Adjusted EBITDA is EBITDA plus share based payment expense and rent reversed due to IndAS 116. Adjusted EBITDA margin is the percentage margin derived by dividing Adjusted EBITDA by revenue from contracts with customers.

In evaluating our business, we consider and use Adjusted EBITDA, a non-GAAP measure, as presented below as a supplemental measure to review and assess our operating performance. The presentation of this non-GAAP financial measure is not intended to be considered in isolation or as a substitute for the Restated Consolidated Financial Information. Adjusted EBITDA is not defined under Ind AS and is not presented in accordance with Ind AS. The non-GAAP financial measure has limitations as analytical tools. Further, the non-GAAP financial measure may differ from the similar information used by other companies, including peer companies, and hence its comparability may be limited. Therefore, Adjusted EBITDA should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation.

We believe Adjusted EBITDA helps us identify underlying trends in our business and facilitate evaluation of year-on-year operating performance of our operations by eliminating items that are variable in nature and not considered by us in the evaluation of ongoing operating performance, allowing comparison of our recurring core business operating results over multiple periods. We also believe Adjusted EBITDA 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. Other companies may calculate Adjusted EBITDA differently from the way we calculate these metrics. As a result, our presentation of Adjusted EBITDA may not be comparable to similarly titled measures of other companies, limiting their usefulness as comparative measures.

Our Adjusted EBITDA margin has been improving consistently over the last three Fiscals and the three months ended June 30, 2021, primarily due to higher productivity, utilisation and operating leverage of our platform. This was partially offset by continued investments in our platform due to the rapidly increasing demand for our services and disruptions caused by COVID-19 in the last six fiscal quarters ended June 30, 2021.

The following table reconciles restated loss with EBITDA, Adjusted EBITDA and Adjusted EBITDA margin for the periods indicated.

	Fiscal			Three months ended
	2019	March 31, 2020	2021	June 30, 2021
	<i>(₹ in million, except percentages)</i>			
Restated loss for the period/ year (A)	(17,833.04)	(2,689.26)	(4,157.43)	(1,295.80)
Total tax expenses (B)	—	1.24	—	—
Finance costs (C)	358.13	492.18	886.27	227.24
Depreciation and amortisation expense (D)	1,700.05	2,555.91	3,546.20	817.88
Other income (E)	(409.77)	(2,080.54)	(1,917.64)	(462.89)
Exceptional items (F)	—	—	413.30	—
Fair value loss on financial liabilities at fair value through profit or loss (G)	14,806.64	—	91.95	320.12
Rent waiver on lease liabilities (H)	—	—	33.80	—
Gain on modification / termination of lease contracts (I)	7.28	—	99.76	29.10
<b>EBITDA (J=A+B+C+D+E+F+G+H+I)</b>	<b>(1,370.71)</b>	<b>(1,720.47)</b>	<b>(1,003.79)</b>	<b>(364.35)</b>
Share based payment expense (K)	379.44	488.05	723.12	437.20
IND AS 116 adjustment on account of lease contracts:				
Freight handling and servicing cost – Rent (L)	(877.89)	(1,299.51)	(2,118.60)	(553.87)
Rent waiver on lease liabilities (M)	—	—	(33.80)	—
Gain on modification / termination of lease contracts (N)	(7.28)	—	(99.76)	(29.10)



	Fiscal			Three months ended
	March 31,			June 30,
	2019	2020	2021	2021
	<i>(₹ in million, except percentages)</i>			
<b>Adjusted EBITDA (O = J+K+L+M+N)</b>	<b>(1,876.44)</b>	<b>(2,531.93)</b>	<b>(2,532.83)</b>	<b>(510.12)</b>
<b>Revenue from contracts with customers (P)</b>	<b>16,538.97</b>	<b>27,805.75</b>	<b>36,465.27</b>	<b>13,177.22</b>
<b>Adjusted EBITDA Margin (Q=O/P)</b>	<b>(11.35)%</b>	<b>(9.11)%</b>	<b>(6.95)%</b>	<b>(3.87)%</b>

### Contingent Liabilities

The following table and notes below sets forth the principal components of our contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, as of March 31, 2019, March 31, 2020 and March 31, 2021, and as of June 30, 2021.

	2019	As of March 31,		As of June 30,
		2020	2021	2021
<b>Claims disputed by us:</b>	<i>(₹ in million)</i>			
Claims against us not acknowledged as debts:				
Tax matter in appeal: Income Tax	1,835.70	1,835.70	344.92	344.92
Others	0.50	0.50	0.50	0.50

We received an assessment order dated December 26, 2018 for Fiscal 2016 (i.e. assessment year 2016-17) wherein the assessing officer raised an income tax demand of ₹1,835.70 million under the Income Tax Act, 1961. We filed an appeal in respect of the above demand which is pending at the Commissioner of Income Tax (Appeals). We filed a rectification petition under Section 154 of the Income Tax Act, 1961, following which we were allowed to set-off business loss and unabsorbed depreciation and the demand was revised to ₹344.92 million vide letter dated September 15, 2021.

An outsourced security vendor commenced a claim against us in relation to debit notes raised by us for non-performance of agreed duties. A trial date has not been set. If we receive an adverse ruling, our liability is estimated to be approximately ₹0.50 million. However, as the likelihood of the action succeeding is low, we have not made any liability provisions for this.

### Capital Expenditures

Our historical capital expenditures were, and we expect our future capital expenditures to be, primarily used for leasehold improvements, computer systems, furniture and fixtures and plant and equipment. In Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021, our capital expenditure for purchase of property, plant and equipment (including other intangible assets, capital work in progress and capital advances) were ₹1,565.90 million, ₹2,135.86 million, ₹2,509.39 million and ₹534.57 million, respectively.

The COVID-19 pandemic may require reductions in capital expenditures that are otherwise needed to implement our strategies. See “*Risk Factor—The ongoing COVID-19 pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations*” for risks of the COVID-19 outbreak on our operations and financial condition.

### Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

### Related Party Transactions

We enter into various transactions with related parties. For further information, see “*Summary of this Draft Red Herring Prospectus – Summary of related party transactions*” on page 25 of this Draft Red Herring Prospectus.

## **Qualitative and Quantitative Disclosures about Financial Risk**

### ***Market risk***

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk comprises three types of risks (i) interest rate risk; (ii) foreign currency risk; and (iii) price risk.

### ***Interest Rate Risk***

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our exposure to the risk of changes in market interest rates relates primarily to our borrowings with floating interest rates.

### ***Price risk***

We invest our surplus funds in various debt instruments, debt mutual funds and fixed deposits. These primarily comprise debt based mutual funds, debentures and fixed deposits. Mutual fund investments are susceptible to market risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments.

### ***Foreign exchange risk***

The Indian Rupee is our reporting currency. As a consequence, our results are presented in Indian Rupee and exposures are managed against Indian Rupee accordingly. 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. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities where our revenue or expense is denominated in a foreign currency.

### ***Credit risk***

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily trade receivables, and from our investing activities, including deposits with banks.

We have established an allowance for impairment that represents 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-month expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. The calculation is based on historical data of actual losses.

We also carry credit risk on lease deposits with landlords for properties taken on leases, for which agreements are signed and property possessions are taken for operations. The risk relating to refunds after vacating the premises is managed through successful negotiations or appropriate legal actions, where necessary.

Credit risk on cash and cash equivalents, other deposits with financial institutions and other financial investments is limited as the financial institutions with which we deposit cash and of the instruments in which we invest have high credit ratings, based on external credit rating agencies. Accordingly, we consider the related credit risk to be low.

We have a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. All of our investments and loans at amortised cost are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected losses. We consider instruments to be low credit risk when they have a low risk of default and the issuer has the capacity to meet its contractual cash flow obligations in the near term.

### ***Liquidity risk***

Our objective is to provide financial resources to meet our business objectives in a timely, cost effective and reliable manner. We maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, working capital loans and others. Our treasury maintains flexibility in funding by maintaining liquidity through investments in liquid funds and fixed deposits. We monitor our risk of shortage of funds using cash flow

forecasting models. These models consider the maturity of financial investments, committed funding and projected cash flows from operations.

### **Significant Economic Changes**

Other than as described above, including disclosure regarding the impact of COVID-19 on our operations, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

### **Unusual or Infrequent Events of Transactions**

Except as described in this Draft Red Herring Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

### **Known Trends or Uncertainties**

Our business has been affected and we expect will continue to be affected by the trends identified above in the heading titled “-*Principal Factors Affecting Our Financial Condition and Results of Operations*” on page 464 and the uncertainties described in the section titled “*Risk Factors*” on page 29. To our knowledge, except as described or anticipated in this Draft Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenue or income from continuing operations.

### **Future Relationship Between Cost and Income**

Other than as described elsewhere in this Draft Red Herring Prospectus, including disclosure regarding the impact of COVID-19 and the Spoton acquisition on our operations, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenue. See “*Risk Factor – The ongoing COVID-19 pandemic and measures intended to prevent its spread have had, and may continue to have, a material and adverse effect on our business and results of operations*” for risks of the COVID-19 outbreak on our operations and financial condition on page 41.

### **Seasonality**

We experience seasonality in our express parcel offering correlating to the seasonality patterns associated with e-commerce in India. For example, our customers generally hold special promotional campaigns during the festival and Diwali period in India from August to November every year. We typically observe peaks in shipment volumes immediately following these campaigns. Our other service offerings do not experience significant seasonality.

### **Significant Developments After June 30, 2021 that May Affect Our Future Results of Operations**

On July 30, 2021 We signed definitive agreements to acquire 100% of the issued and paid-up share capital of Spoton, an express PTL freight service provider. We completed the acquisition in August 2021, following which Spoton became our wholly-owned subsidiary.

On July 15, 2021, we entered into (i) a pick-up, delivery and sales agent agreement and (ii) an asset purchase agreement with FedEx. These agreements will come into effect upon the fulfilment of certain closing conditions, including receipt of the requisite regulatory approval. For details, see “*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last 10 years*” and “*History and Certain Corporate Matters – Key terms of other subsisting material agreements*” on pages 193 and 195, respectively.

Except as stated above or elsewhere in this Draft Red Herring Prospectus, including disclosure regarding the impact of COVID-19, to our knowledge, no circumstances have arisen since the date of the Restated Financial Statements as disclosed in this Draft Red Herring Prospectus which materially and adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as disclosed in this section, there is no outstanding (i) criminal proceeding; (ii) action taken by regulatory or statutory authorities; (iii) claim related to direct and indirect taxes, in a consolidated manner; and (iv) other pending litigation as determined to be material pursuant to the Materiality Policy in each case involving our Company, our Directors, and our Subsidiaries (“**Relevant Parties**”). Further, except as disclosed in this section, there are no pending litigation involving our Group Company, the adverse outcome of which may have a material impact on our Company.*

*Pursuant to the SEBI ICDR Regulations and the Materiality Policy adopted by our Board of Directors on October 13, 2021 for the purposes of disclosure, any pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, including outstanding action, and tax matters, has been considered ‘material’ and accordingly disclosed in this Draft Red Herring Prospectus where:*

- (i) the claim / dispute amount, to the extent quantifiable, exceeds 1% of the revenue from operations of our Company for Fiscal Year 2021 or 1% of the total net worth of our Company as of June 30, 2021, whichever is lower, as per the Restated Financial Statements;*
- (ii) tax proceedings which individually involve an amount greater than the materiality threshold as defined in (i) above, to be disclosed individually;*
- (iii) summary disclosure of consumer complaints filed with consumer forums or Lok Adalats; and*
- (iv) where the monetary impact is not quantifiable or the amount involved may not exceed the materiality threshold set out under (i) above, but an outcome in any such litigation would materially and adversely affect our Company’s business, operations, cash flows, financial position or reputation of our Company.*

*1% of the revenue from operations of our Company on a consolidated basis for Fiscal Year 2021 as per the Restated Financial Statements is ₹364.65 million and 1% of the total net worth of our Company as of June 30, 2021 is ₹474.36 million. Accordingly, ₹364.65 million is the materiality threshold, being the lower of the aforementioned two.*

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, outstanding dues to any creditor of our Company having monetary value exceeding ₹274.04 million, which is 5% of the consolidated trade payables of our Company as of June 30, 2021 as per the Restated Financial Statements shall be considered as ‘material’. Accordingly, as of June 30, 2021 as per the Restated Financial Statements, any outstanding dues exceeding ₹274.04 million have been considered as material outstanding dues for the purposes of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“**MSME**”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.*

*It is clarified that pre-litigation notices (other than those issued by governmental, statutory, regulatory, judicial, quasi-judicial or tax authorities) received by our Company, our Subsidiaries, our Directors or our Group Company shall not be considered as litigation until such time that any of our Company, our Subsidiaries, our Directors or our Group Company, as the case may be, is made a party to proceedings initiated before any court, tribunal or governmental authority or any judicial authority, or is notified by any governmental, statutory or regulatory authority of any such proceeding that may be commenced.*

*All terms defined in a particular litigation disclosure pertain to that litigation only.*

#### **I. Litigation involving our Company**

##### **Litigation filed against our Company**

###### **A. Criminal proceedings**

1. A petition dated September 15, 2020, has been filed by Ramesh (“**Petitioner**”) against our Company and

others (“**Respondents**”) before the Motor Accidents Claim Tribunal, Kanpur Dehat (“**Tribunal**”) under the Motor Vehicles Act, 1988. The Petitioner has alleged that due to the injuries sustained in an accident with a truck engaged by our Company, his younger brother had succumbed to death. The Petitioner has prayed that an amount of ₹3.40 million and interest thereon be paid as compensation by the Respondents. Our Company has, in its reply filed before the Tribunal, denied the allegations made by the Petitioner. The matter is currently pending.

## **B. Outstanding actions by regulatory and statutory authorities**

1. The Labour Assistant Analyst, 1<sup>st</sup> Commodity, Ambasamudiram, Tamil Nadu Department of Labour (“**Labour Assistant Analyst**”), pursuant to an inspection has issued a notice dated July 14, 2021 (“**Notice**”) to our Company seeking explanation for non-maintenance of certain statutory registers required to be maintained under the Tamil Nadu Shops and Establishment Act, 1947 (“**Shops and Establishment Act**”) and the rules made thereunder. Our Company has, by way of its reply dated August 5, 2021, submitted the relevant registers to the Labour Assistant Analyst, which has been acknowledged by the Labour Assistant Analyst. The matter is currently pending.
2. Pursuant to an application filed by Pawan Kumar, a former employee of our Company (“**Applicant**”), before the Regional Conciliation Officer, Meerut, Uttar Pradesh, a notice in the nature of summons dated July 15, 2021 (“**Notice**”) was issued by the Deputy Labour Commissioner, Meerut, Uttar Pradesh to our Company under the Uttar Pradesh Industrial Disputes Act, 1947 requiring our Company’s authorised representative to attend the conciliation proceeding in relation to an industrial dispute involving alleged illegal termination of the services of the Applicant. Our Company has submitted a written response to the Notice praying that the application filed by the Applicant be dismissed. The matter is currently pending.
3. Pursuant to an inspection on December 7, 2020, undertaken by the Municipal Corporation of Greater Mumbai (L Ward) (“**Municipal Corporation**”), a complaint has been filed by the Municipal Corporation against our Company before the Court of the Metropolitan Magistrate, Dadar, Mumbai, Maharashtra (“**Court**”) alleging non-compliance with the provisions of the Mumbai Municipal Corporation Act, 1888, as amended, on account of carrying on trade activity of keeping a warehouse, without obtaining requisite licence from the Municipal Corporation. The Municipal Corporation has sought the issuance of process against our Company. The matter is currently pending.
4. A notice dated June 18, 2021 (“**Notice**”), has been issued by the Office of the Village Council, Anugondanahalli, Bangalore, Karnataka (“**Village Council**”), alleging that our Company has been conducting its operations without procuring the general license under the Karnataka Municipal Corporation Act, 1976 for the financial year 2021-2022 in respect of its warehouse located in Anugondanahalli. Pursuant to the Notice, our Company was required to submit the lease agreement executed by our Company and the land owner of the warehouse within a period eight days from the receipt of the Notice. The matter is currently pending.
5. Pursuant to an inspection of our Company’s warehouse located in Hubli, Karnataka, on August 3, 2021, by Office of the Labour Officer, Hubli, Karnataka (“**Labour Officer**”), the Labour Officer had noticed certain non-compliances with certain labour laws, including, amongst others, the Payment of Bonus Act, 1965, Payment of Gratuity (Karnataka) Rules, 1973 and Karnataka Industrial Establishments (National Holidays and Festival Holidays) Act, 1963. Subsequently, an inspection report dated August 3, 2021 was issued by the Labour Officer, which required our Company to rectify the violations observed and submit a compliance report within seven days from the date of the inspection report. Subsequently, by way of its letter dated August 23, 2021, our Company has submitted the compliance report with the Labour Officer, which has been acknowledged by the Labour Office. The matter is currently pending.
6. The Judicial Magistrate First Class, Angamaly, Kerala (“**Court of Judicial Magistrate**”), has issued summons dated March 2, 2020 to Sahil Barua, to appear on behalf of our Company to answer, *inter alia*, a charge under section 22A of the Minimum Wages Act, 1948, in respect of non-maintenance of certain statutory documents. The Court of Judicial Magistrate has not been in session and the matter is currently pending.
7. The Assistant Commissioner of Labour, Jabalpur, Department of Labour, has filed a complaint against Sahil Barua, on behalf of our Company, before Chief Judicial Magistrate, Jabalpur, Madhya Pradesh, for alleged

violation of sections 13(a)(3), 14(a), 25 and 14(9) of the Payment of Wages Act, 1936 for non-maintenance of certain statutory documents. The matter is currently pending.

8. The Assistant Commissioner of Labour, Jabalpur, Department of Labour, has filed a complaint against Sahil Barua, on behalf of our Company, before Chief Judicial Magistrate, Jabalpur, Madhya Pradesh, for alleged violation of sections 8 and 7(B)(1)(2) of the Payment of Gratuity Act, 1972 for non-maintenance of certain statutory documents. The matter is currently pending.

### ***Litigation filed by our Company***

#### **A. Criminal proceedings**

1. Our Company has filed a criminal complaint dated August 17, 2018, against Scientific Brains Nutraceuticals Private Limited and others (“**Accused**”) under sections 138, 141, and 142 of the Negotiable Instruments Act, 1881 (the “**NIA**”), before the Court of Judicial Magistrate First Class, Gurugram, Haryana, alleging dishonour of two separate cheques amounting to ₹0.55 million issued by the Accused to our Company. The matter is currently pending.
2. Our Company has filed a complaint dated January 15, 2020, against Hanel Logistics Solutions Private Limited and others (“**Accused**”) under sections 138, 141, and 142 of the NIA, before the Court of Chief Judicial Magistrate, Gurgaon, Haryana, alleging dishonour of a cheque of ₹3.50 million issued by the Accused to our Company. The matter is currently pending.
3. Our Company has filed a complaint dated March 5, 2020 against Akanksha Enterprises (“**Accused**”) under sections 138 and 142 of the NIA, before the Court of Chief Judicial Magistrate, Gurugram, Haryana, alleging dishonour of four separate cheques amounting to ₹1.08 million issued by the Accused to our Company. The matter is currently pending.
4. Our Company has filed a complaint dated September 17, 2020 against Renu Enterprises and another (“**Accused**”) under section 138 of the NIA, before the Judicial Magistrate First Class, Gurugram, Haryana, alleging dishonour of two separate cheques amounting to ₹1.56 million issued by the Accused to our Company.
5. An FIR dated August 16, 2019, has been filed by our Company under sections 406, 420, 468, 471 and 202 of the Indian Penal Code, 1860, against Prasanta Kumar Sahoo (“**Accused**”), a former employee of our Company, with the police station at Udit Nagar, Rourkela, Odisha for the offences of, *inter alia*, cheating, forgery of documents and irregularities in the submission of the cash deposit slips and depositions to the extent of ₹4.79 million at the bank by the Accused. The Judicial Magistrate First Class, Udit Nagar, Rourkela, Odisha has issued summons to the witnesses in the matter. The matter is currently pending.
6. An FIR dated March 20, 2019, has been filed by our Company against Bhup Singh (“**Accused**”), proprietor of Shivam Enterprises, Rawatsar, with the police station at Hanumangad, Rawatsar, Rajasthan, under section 420 of the Indian Penal Code, 1860. Our Company has alleged that an offence of fraud has been committed by the Accused by replacing certain original goods in the consignment with bad quality products and initiating return of the consignment thereafter, which has caused a loss of about ₹2.50 million to our Company. Further, in the final report dated June 2, 2019, submitted by the police before the Additional Chief Judicial Magistrate, Rawatsar, no offence under section 420 of the Indian Penal Code, 1860 has been found against the Accused. The matter is currently pending.

#### **B. Material civil proceedings**

1. Our Company has filed an application dated May 7, 2021, against TVS Supply Chains Solutions Limited (“**Corporate Debtor**”) to initiate corporate insolvency resolution process under the Insolvency and Bankruptcy Code, 2016 (“**Application**”) before the National Company Law Tribunal, Chennai, Tamil Nadu. The Corporate Debtor had issued certain work orders which required our Company to provide the Corporate Debtor with distribution services for the movement of certain products to various locations within India. For the services provided, our Company had raised various invoices between the period of June 2017 and February 2020 on the Corporate Debtor. However, the Corporate Debtor failed to make the payment to our Company. Consequently, our Company issued a demand notice to the Corporate Debtor, and while the Corporate Debtor has acknowledged and responded to the demand notice, it has neither paid the outstanding

debt amount, nor provided any proof of payment of the unpaid invoices. Our Company has sought an amount of ₹11.75 million in the Application. The matter is currently pending.

2. Our Company has filed a petition dated March 8, 2021, under section 11(5) read with section 11(6) of the Arbitration and Conciliation Act, 1996 read with section 151 of the CPC before the High Court of Delhi against SS Supply Chain Solutions Private Limited (“**Respondent**”) seeking appointment of the sole arbitrator in relation to the commercial disputes arising out of the service agreements dated April 5, 2019 and December 6, 2019, entered into between our Company and the Respondent for transportation and delivery of certain goods to various destinations (collectively, the “**Agreements**”). As per the terms of the Agreements, our Company was required to submit the freight bills in original every month for the consignments delivered by it along with a copy of acknowledgement/ receipt of goods given by the consignee and the Respondent was required to make payment to our Company within a stipulated time period. Our Company has alleged that during the course of its engagement, an amount of ₹21.05 million became due and payable by the Respondent, which the Respondent has failed to pay. Further, as per the terms of the aforesaid Agreements, the disputes were required to be resolved by a sole arbitrator to be appointed by the Respondent. Our Company suggested the name of an advocate to adjudicate as the sole arbitrator to resolve the dispute, subject to Respondent’s confirmation. However, no agreement was reached between the parties regarding appointment of the sole arbitrator. Our Company has thus, filed the petition seeking, *inter alia*, the appointment of the sole arbitrator in terms of the Agreements to adjudicate the dispute. The matter is currently pending.
3. A commercial suit was filed by our Company against Treasure Vase Ventures Private Limited (“**Defendant**”) before the High Court of Delhi (“**High Court**”), seeking, *inter alia*, injunction against the use of mark “DELIVERE” (“**Impugned Mark**”) by the Defendant, and a decree in favour of our Company and against the Defendant for recovery of an amount of ₹20.01 million for the use of Impugned Mark which is deceptively and phonetically similar to the registered trademark of the Company. By way of an order dated July 3, 2020, the High Court granted an ex-parte ad-interim injunction against the Defendant, restraining them from using the Impugned Mark (“**Interim Order**”). Further, an application under Order 39 Rule 2A of the CPC (“**Application**”) was filed by our Company before the High Court, alleging disobedience of the Interim Order by the Defendant. In its reply, the Defendant submitted that it had adopted a new mark by adding the prefix ‘SMART’ before the Impugned Mark in order to avoid using a deceptively similar mark. The High Court, *vide* an order dated October 12, 2020 (“**Impugned Order**”), held that “DELHIVERY” is a phonetically generic word that cannot be registered to benefit from statutory rights, and that there may not be any claims against use of the mark “DELIVER-E”. Subsequently, however, the High Court held, by an order dated October 22, 2020, that the status quo with respect to the registration of trademarks of our Company was to be maintained. Our Company has filed an appeal dated December 2, 2020 before the High Court, praying, amongst others, that the Impugned Order be set aside and the directors of the Defendant be prosecuted for wilful disobedience of the Interim Order. By way of an order dated September 8, 2021, the High Court has referred the matter to the Delhi High Court Mediation and Conciliation Centre. The matter is currently pending.
4. Our Company has initiated mediation proceedings before the District Legal Services Authority, New Delhi, Patiala House Courts (“**NDLSA**”), against Mohit Polytech Private Limited (“**Respondent**”). Our Company and the Respondent had entered into an agreement through a letter of intent dated June 7, 2019 (“**Service Agreement**”) pursuant to which our Company was engaged by the Respondent to provide services, which included, amongst others, providing dedicated goods carriage vehicles to the Respondent for moving goods or consignments of the Respondent between designated points, *etc.* (“**Services**”). In terms of the Service Agreement, the Respondent was required to make payment to our Company within a period of 60 days from the date of the invoice raised by our Company. Our Company contended that the Respondent, on numerous occasions, breached the conditions of the Service Agreement by not making timely payment and alleged that the Respondent is required to pay an outstanding amount of ₹5.31 million along with applicable interest for delay for the Services rendered by our Company. The NDLSA has issued two notices dated August 11, 2021 and August 24, 2021 to the Respondent for their consent to participate in the mediation. The matter is currently pending.
5. 42 consumer cases have been filed by certain persons (“**Petitioners**”) against our Company and other third parties before various forums, alleging, amongst others, failure of delivery of products on time and delivery of wrong products. In these matters, our Company has been made a party on account of being the delivery service provider. The Petitioners have, in many such matters, also claimed compensation from our Company. These matters are currently pending at various stages of adjudication.

## Tax proceedings involving our Company

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ million)
Direct Tax	10	344.92
Indirect Tax	10	Nil
<b>Total</b>	<b>20</b>	<b>344.92</b>

## II. Litigation involving our Subsidiaries

### Litigation filed by our Subsidiaries

#### Spoton Logistics Private Limited

##### A. Criminal proceedings

Spoton has filed 15 complaints under section 138 of the NIA before various forums. These matters are currently pending at various stages of adjudication.

## Tax proceedings involving our Subsidiaries

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ million)
Indirect Tax	2	622.59
Direct Tax	2	103.26
<b>Total</b>	<b>4</b>	<b>725.85</b>

### Tax proceedings which involve an amount greater than the materiality threshold

1. A show cause notice dated April 18, 2017 (“**Show Cause Notice**”) was issued by the Office of Principal Commissioner of Service Tax, Bengaluru, Karnataka (“**Service Tax Commissioner**”) to Spoton, calling upon Spoton to show cause as to why, amongst others, (i) the services of line haul received from the lorry/ vehicle owners should not be classified as “Transport of Goods by Road” services in terms of section 65(105)(zzp) of the Finance Act, 1994 for the period of up to June 30, 2012 and as “service” in terms of section 65B(26) of the Finance Act, 1994, with effect from July 1, 2012, (ii) service tax amount of ₹129.61 million, education cess of ₹2.59 million and secondary and higher education cess of ₹1.29 million, aggregating to ₹133.49 million for the period from January 2012 to March 2015 on expenditure incurred towards line haul charges, and (iii) service tax amount of ₹54.25 million, education cess of ₹1.09 million and secondary and higher education cess of ₹0.54 million, aggregating to ₹55.89 million for the period from January 2012 to March 2015 on expenditure incurred towards pick-up and delivery charges should not be demanded from Spoton. Further, a demand notice dated March 28, 2018 (“**Demand Notice**”) was issued by Service Tax Commissioner to Spoton, which required Spoton to show cause as to why, amongst others, (i) the services of line haul received from the lorry/ vehicle owners should not be classified as “service” in terms of 65B(26) of the Finance Act, 1994, with effect from July 1, 2012, (ii) service tax amount of ₹154.03 million for the period from April 2015 to June 2017 on the expenditure incurred towards line haul charges, and (iii) service tax amount of ₹67.60 million for the period from April 2015 to June 2017 on the expenditure incurred towards pick-up and delivery charges should not be demanded. In response to the Show Cause Notice, by way of its letters dated September 7, 2017 and March 22, 2018 to the Service Tax Commissioner, Spoton had denied and refuted the demand of service tax by the Service Tax Commissioner stating, *inter alia*, that the nature of activity of Spoton is that of “courier agency services” and the owners of trucks/ fleet operators were not “goods transport agency” or “transport booking agents” rendering services in relation to transportation of goods by road in a goods carriage. Subsequently, the Service Tax Commissioner passed an order dated September 6, 2018 (“**Impugned Order 1**”) against Spoton demanding service tax of ₹189.39 million along with interest and penalty of ₹189.39 million. Further, in response to the Demand Notice, by way of its letter dated May 24, 2018, Spoton had denied and refuted the demand of service tax by the Service Tax Commissioner stating, *inter alia*, that Spoton had not received the services of “goods transport agency” as defined under the Finance Act, 1994 and that the service providers to whom they had paid line haul and pickup delivery charges were not transport booking agents. Subsequently, the Service Tax Commissioner passed an order dated July 23, 2021 (collectively with the Impugner Order 1, the “**Impugned Orders**”) against Spoton demanding service tax of ₹221.64 million along with interest and penalty of ₹22.16 million. Spoton has filed two separate appeals before the



Customs, Excise and Service Tax Appellate Tribunal, Bangalore, Karnataka, against the respective Impugned Orders, praying that the Impugned Orders be quashed and set aside. The matter is currently pending.

### III. Litigation involving our Directors

#### *Litigation filed against our Directors*

##### A. Criminal proceedings

1. An ex-employee (“**Complainant**”) of a company (“**Entity**”), in which Deepak Kapoor served as the chairman of the board of directors, at the relevant time, has filed a complaint (“**Complaint**”) against the Entity and certain of its officers including Deepak Kapoor before the Civil Judge (Junior Division) cum Judicial Magistrate First Class, Gurugram (“**Trial Court**”) under sections 182, 204, 406, 420, 468, 469, 471, 477, 477A, 499, 500, 506 and 120B of the Indian Penal Code, 1860. *Vide* an order dated October 9, 2019 (“**Order**”), the Trial Court took cognizance only against Deepak Kapoor for the alleged offence of defamation under sections 499 and 500 of the Indian Penal Code, 1860 on the ground that by issuing a termination letter to the Complainant, which was signed by Deepak Kapoor in his capacity as chairman and director of the Entity and termination of the employment of the Complainant by the Entity lowered the Complainant’s reputation in the eyes of his family and other persons. The Complainant failed to produce evidence for making out a case against other officials and the Entity, and accordingly the complaint against the other officials and the Entity was dismissed by the Trial Court. The Complaint is currently pending before the Trial Court against Deepak Kapoor. Subsequently, the Complainant has approached the Court of the Additional Sessions Judge, Gurugram, challenging the Order. Further, Deepak Kapoor has approached the High Court of Punjab and Haryana (“**High Court**”) by way of a petition filed under section 482 of the Code of Criminal Procedure, 1973 praying for the quashing of the Complaint and the Order (“**Petition**”). The High Court has, after a preliminary hearing in the Petition, by way of its order dated December 2, 2019 stayed the proceedings before the Trial Court on the *prima facie* ground of the Complaint not being maintainable and being barred by limitation under section 468(2) of the Code of Criminal Procedure, 1973. The Petition is currently pending before the High Court.
2. The Inspector of Legal Metrology, Bengaluru, Karnataka has, in its complaint filed before Additional Chief Metropolitan Magistrate, Bengaluru, Karnataka (“**Trial Court**”), alleged that all the directors of an entity (“**Entity**”) in which Kalpana Jaisingh Morparia was a director at the relevant time, have committed offences under section 36 of the Legal Metrology Act, 2009 (the “**Act**”), for violation of section 18 of the Act, and rule 6(1)(e) of the Legal Metrology (Packaged Commodities) Rules, 2011, *i.e.*, not declaring the maximum retail price in terms of the illustration to the above rule. The director of the Entity had approached the High Court of Karnataka (“**High Court**”) for quashing of the order passed by Trial Court. The High Court has stayed the proceedings before the Trial Court, by its order dated July 5, 2021. The matter is currently pending.
3. A complaint (“**Complaint**”) has been filed by Pramod Kumar against Saugata Gupta (in his capacity as managing officer and chief executing officer of Marico Limited) and others before Chief Metropolitan Magistrate, Saket, Delhi, under sections 17C(c), 18a(ii), 27A(ii), 32, 34 and 148 of Drugs and Cosmetics Act, 1940 and sections 417, 420, and 120B read with sections 34 and 35 of Indian Penal Code, 1860, alleging cheating and misbranding with respect to one of the products of Marico Limited. An application for quashing the Complaint under section 482 of the Code of Criminal Procedure, 1973 has been filed by Marico Limited and Saugata Gupta, and the proceedings have been stayed by High Court of Delhi. The matter is currently pending.

##### B. Actions by regulatory and statutory authorities

1. Deepak Kapoor (“**Appellant**”) has filed an appeal dated October 31, 2019 (“**Appeal**”) before the Appellate Tribunal under the FEMA, at New Delhi ( “**Appellate Tribunal**”) challenging the order dated September 11, 2019 (“**Order**”) passed by the Adjudication Authority of the Enforcement Directorate (the “**Enforcement Directorate**”) by way of which a penalty under section 13 of the FEMA had been imposed on a company (“**Entity**”), and on its officers including the Appellant, who served as the chairman of the Entity at the relevant period. Pursuant to the Order, the Enforcement Directorate imposed a penalty of ₹2.30 million on the Appellant (in his capacity as the chairman and director of the Entity), for the alleged violation by the Entity of, amongst others, sections 10(6), 6(2), 6(3) read with section 42 and 9(b) of FEMA and the regulations thereunder. The matter pertains to allegations in relation to irregularities in accounting treatment

of certain non-refundable financial grants received from abroad through the automatic route by the Entity where the Appellant was the chairman and director at the relevant time when the grants were received. The Appeal is currently pending before the Appellate Tribunal.

- For details regarding actions by regulatory and statutory authorities involving Sahil Barua, see “- *Litigation involving our Company – Litigation filed against our Company – Outstanding actions by regulatory and statutory authorities – points 6, 7 and 8*” on page 486.

#### **Litigation filed by our Directors**

##### **A. Material civil proceedings**

- Srivatsan Rajan, Sandeep Kumar Barasia and others have filed an application under section 7 of the Insolvency and Bankruptcy Code, 2016 for initiation of corporate insolvency resolution process against IREO Private Limited before the National Company Law Tribunal, New Delhi, for failure to hand over possession of apartments booked by certain homebuyers in the project called “IREO Gurgaon Hills” proposed to be built at Gurgaon Faridabad Expressway, Gurugram, Haryana and for claiming an amount of ₹1,625.57 million in this respect. The matter is currently pending.

#### **Tax proceedings involving our Directors**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in ₹ million)
Indirect Tax	Nil	Nil
Direct Tax	1	Nil
<b>Total</b>	<b>1</b>	<b>Nil</b>

#### **IV. Material Litigations involving our Group Company**

As on the date of this Draft Red Herring Prospectus, there are no outstanding litigation proceedings involving our Group Company, the outcome of which could have a material impact on our Company.

#### **Outstanding dues to creditors**

In accordance with the Materiality Policy, details of outstanding dues (trade payables) owed to MSME (as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at June 30, 2021, are set out below:

Type of creditors	Number of creditors	Amount involved (in ₹ million)
Material creditors	-	-
Micro, Small and Medium Enterprises	124	7.65
Other creditors	5,197	1,931.18
<b>Total</b>	<b>5,321</b>	<b>1,938.83</b>

The details pertaining to outstanding dues to the material creditors along with names and amounts involved for each such material creditor are available on the website of our Company at <https://www.delhivery.com/investor-relations/>.

#### **Material Developments**

Other than as stated in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 460, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months from the date of the filing of the DRHP.

## GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, consents, licenses, registrations and permits issued by relevant governmental and regulatory authorities of the respective jurisdictions under various rules and regulations. Set out below is an indicative list of all material approvals, consents, licenses, registrations and permits obtained by our Company and our Material Subsidiary, as applicable, for the purposes of undertaking their respective businesses and operations. Except as mentioned below no further material approvals are required to undertake the Offer. Additionally, unless otherwise stated herein, these approvals, consents, licenses, registrations and permits are valid as on the date of this Draft Red Herring Prospectus. Certain approvals, licenses, registrations and permits may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures. For further details in connection with the regulatory and legal framework applicable to our Company and our Material Subsidiary, see “**History and Certain Corporate Matters**”, “**Risk Factors**” and “**Key Industry Regulations and Policies**” on pages 190, 29 and 186.*

*We have also set out below, (i) material approvals or renewals applied for but not received; (ii) material approvals expired and renewal yet to be applied for; and (iii) material approvals required but not obtained or applied for, as on the date of this Draft Red Herring Prospectus.*

### **I. Approvals in relation to the Offer**

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see “**Other Regulatory and Statutory Disclosures – Authority for the Offer**” on page 496.

### **II. Material approvals obtained in relation to our business and operations**

We are required to obtain approvals and licenses issued by central and state authorities under various rules and regulations in order to continue our general business activities in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements. We have received the following material approvals pertaining to our business:

#### **A. Tax related approvals**

##### **(i) Our Company**

- a. The permanent account number of our Company is AAPCS9575E.
- b. The tax deduction account number of our Company is DELS45356D.
- c. The GST registration certificates issued by the State Governments for GST payments in the states where our business operations are situated. The GST identification number for Delhi, where our registered office is located is 07AAPCS9575E1ZP.

##### **(ii) Spoton Logistics Private Limited**

- a. The permanent account number of Spoton is AAQCS5845Q.
- b. The tax deduction account number of Spoton is BLRS49250F.
- c. GST registration certificates issued by the State Governments for GST payments in the states where our business operations are situated. The GST identification number for Karnataka, where the registered office of Spoton is located is 29AAQCS5845Q1Z4.

#### **B. Labour and commercial related approvals**

##### **(i) Our Company**

- a. Under the provisions of the EPF Act, our Company has been allotted EPF establishment code number DLCPM0043366000.

- b. Under the ESI Act, our Company has been allotted ESIC code no. 20001219180000999.
- c. Registration certificates issued for contract labour under the Contract Labour (Regulation & Abolition) Act, 1970 for our offices, warehouses and other premises. These registrations are periodically renewed, whenever applicable.
- d. Registration certificates issued under relevant shops and establishment legislations in various states for our offices, gateways, warehouses, hubs and last mile delivery centres (“**Facilities**”). These registrations are periodically renewed, whenever applicable.

**(ii) Spoton Logistics Private Limited**

- a. Under the provisions of the EPF Act, Spoton has been allotted EPF establishment code number KN/67027.
- b. Under the ESI Act, Spoton has been allotted ESIC code no. 50000424340001006.
- c. Registration certificates issued for contract labour under the Contract Labour (Regulation & Abolition) Act, 1970 for the offices, warehouses and other premises of Spoton. These registrations are periodically renewed, whenever applicable.
- d. Registration certificates issued under relevant shops and establishment legislations in various states for our Facilities. These registrations are periodically renewed, whenever applicable.

**C. Regulatory approvals**

**(i) *Regulatory approvals obtained by our Company***

- a. Certificate of registration dated March 11, 2020 issued by the Directorate General of Shipping, Ministry of Shipping, Government of India, for registration as a Multimodal Transport Operator bearing registration number MTO/DGS/2153/FEB/2023 under the Multimodal Transportation of Goods Act, 1993 and the Registration of Multimodal Transport Operator Rules, 1992 to carry on/commence the business of multimodal transportation. The registration is valid until February 2023.
- b. Central License dated December 17, 2020 bearing License No. 10020064002305 from the Food Safety and Standards Authority of India, Government of India to conduct the business of “*Trade/Retail – Transportation (having a number of specialized vehicles like insulated refrigerated van/ wagon and milk tankers etc.)*” under the Food Safety and Standards Act, 2006. The license is valid till April 14, 2025. Further, our Company has also obtained licenses under the Food Safety and Standards Act, 2006 in the various states where our Company carries on the business of a food business operator.
- c. Certificate of registration issued by the Deputy Commissioner of Customs, New Delhi in January 2020, for registration as a Consol Agent, bearing registration no. AAPCS9575E and valid till January 6, 2023.

**(ii) *Regulatory approvals obtained by our Material Subsidiary, Spoton Logistics Private Limited***

- a. Certificate of approval dated September 4, 2019 bearing approval no. ISO 9001 –00021877 issued by Lloyd’s Register Quality Assurance Limited in respect of our end to end logistics operation services. The approval is valid till September 3, 2022.
- b. Certificate of registration dated October 4, 2019, issued by the Karnataka License Service Area, Department of Telecommunications, Ministry of Communication, Government of India bearing registration no. KTK/D/100108/1019 for setting up a ‘Domestic OSP Centre’ under the New Telecom Policy, 1999. The registration is valid for a period of 20 years, that is, till October 3, 2039.
- c. License No. 11220333001309 dated June 25, 2021 issued by the Food Safety and Standards Authority of India, Government of India under the Food Safety and Standards Act, 2006 for carrying

on the business of “Trade/Retail – Transportation (having a number of specialized vehicles like insulated refrigerated van/ wagon and milk tankers etc.)” at Bengaluru. The license is valid till July 9, 2022.

### **III. Material approvals pending in respect of our Company**

#### **A. Material approvals or renewals for which applications are currently pending before relevant authorities**

As on the date of this Draft Red Herring Prospectus, we currently hold all material approvals, licenses, registrations and permits, as required, except the following for which the applications for obtaining the approval or its renewal are currently pending before the relevant authorities:

- a. Application dated September 14, 2021 bearing number DL21091451041051 made before the Commissioner, Transport Department, Government of NCT of Delhi, for registration under the Carriage by Road Act, 2007.
- b. Application dated May 27, 2021 before the Directorate General of Civil Aviation (“DGCA”) for authorisation in respect of research and development under the Drone Rules, 2021.
- c. Application dated June 14, 2021 before the DGCA for obtaining registration as a ‘manufacturer’ under the Drone Rules, 2021, bearing Drone Acknowledgement Number D1DA00SY2.

#### **B. Material approvals expired and renewals yet to be applied for**

Nil.

#### **C. Material approvals required but not obtained or applied for**

Nil.

### **IV. Material approvals or renewals pending in respect of our Material Subsidiary**

#### **A. Material approvals or renewals for which applications are currently pending before relevant authorities**

As on the date of this Draft Red Herring Prospectus, Spoton Logistics Private Limited currently holds all material approvals, licenses, registrations and permits, as required, except the following for which the applications for obtaining the approval or its renewal are currently pending before the relevant authorities:

- a. Application dated January 21, 2021 made before the Revenue Department, Corporation of Chennai, for obtaining Trade License for Chennai.
- b. Application dated May 18, 2021 bearing application number N21221805977530 made before the Medical Officer of Health, Shivaji Nagar, Bruhat Bangalore Mahanagar Palike, for obtaining Trade License for Bangalore.

#### **B. Material approvals expired and renewals yet to be applied for**









Nil.

#### **C. Material approvals required but not obtained or applied for**

- a. Registration as a ‘common carrier’ under the Carriage by Road Act, 2007.
- b. Registration under the Contract Labour (Regulation and Abolition) Act, 1970 for the State of Andhra Pradesh.

## V. Intellectual property related approvals

As on the date of this Draft Red Herring Prospectus, our Company and our Subsidiaries have registered various trademarks under various classes with the Registrar of Trademarks under the Trademarks Act, 1999. These include:

S. No.	Trademark	Classes of Registration
1.		35, 39, 42
2.		35, 39, 42
3.		35, 39, 42
4.		35, 39, 42
5.		35, 39, 42
6.		35, 39, 42
7.		35, 39, 42
8.		35, 39

Further, we have also made applications seeking registration of various trademarks under various classes, which are currently pending registration.

Further, as on the date of this Draft Red Herring Prospectus, our Company has also received registration of certain trademarks in the United Kingdom, Hong Kong and Singapore. Further, we have applied for registration of our trademark 'Delhivery' in the United States of America and China.

For risks associated with our intellectual property please see, “*Risk Factors – We may not be able to prevent others from unauthorized use of our intellectual property, which could harm our business and competitive position*” on page 52. For details about our intellectual property involved in litigation, please see, “*Outstanding Litigation and Material Developments – Litigation involving our Company – Litigation filed by our Company – Material Civil Proceedings*” on page 487.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

#### Corporate Approvals

Our Board has authorized the Offer pursuant to its resolution dated October 13, 2021 and our Shareholders have authorized the Fresh Issue pursuant to a special resolution passed on October 15, 2021 under Section 62(1)(c) of the Companies Act.

Our Board has taken on record the Offer for Sale by the Selling Shareholders pursuant to its resolution dated October 15, 2021.

Our Board has approved and adopted this Draft Red Herring Prospectus for filing with SEBI and the Stock Exchanges pursuant to its resolution dated November 1, 2021.

#### Approvals from the Selling Shareholders

Each of the Selling Shareholders has, severally and not jointly, authorized and confirmed inclusion of its portion of the Offered Shares as part of the Offer for Sale, as set out below:

Name of Selling Shareholders	Aggregate amount of Offer for Sale (up to) (in ₹ million)	Date of Shareholders' letter	Selling consent	Date of corporate authorization/ resolution
<b>Investor Selling Shareholders</b>				
CA Swift Investments*	9,200	October 20, 2021		October 20, 2021
Deli CMF Pte. Ltd.*	4,000	October 19, 2021		October 19, 2021
SVF Doorbell (Cayman) Ltd*	7,500	October 21, 2021		September 22, 2021
Times Internet Limited	3,300	October 21, 2021		September 15, 2021
<b>Individual Selling Shareholders</b>				
Kapil Bharati	140	October 21, 2021		-
Mohit Tandon	400	October 21, 2021		-
Suraj Saharan	60	October 21, 2021		-

\*As on the date of this Draft Red Herring Prospectus, (i) CA Swift Investments holds 302,487 Series E Preference Shares and 158,831 Series F Preference Shares, which will be converted into an aggregate of 46,131,800 Equity Shares, (ii) Deli CMF Pte. Ltd. holds 41,424 Series E Preference Shares and 27,366 Series F Preference Shares, which will be converted into an aggregate of 6,879,000 Equity Shares and (iii) SVF Doorbell (Cayman) Ltd holds 164,862 Series D Preference Shares, 1,987 Series E Preference Shares and 1,235,331 Series F Preference Shares, which will be converted into an aggregate of 140,218,000 Equity Shares, and the conversion into Equity Shares as mentioned in each of (i), (ii) and (iii) shall be undertaken prior to filing of the Red Herring Prospectus with the RoC.

Each Selling Shareholder, severally and not jointly, confirms that, its portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the requirements set out under Regulation 8 of the SEBI ICDR Regulations.

#### In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively.

### Prohibition by the SEBI, the RBI or other Governmental Authorities

Our Company, Directors, persons in control of our Company and each of the Selling Shareholders are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

### Directors associated with the Securities Market

Except as stated below, none of our Directors are associated with the securities market and no action has been initiated by SEBI against any of our Directors in the five years preceding the date of this Draft Red Herring Prospectus:

Our Non-Executive Nominee Director, Munish Ravinder Varma, is associated as chief executive officer, chairman and director of SVF Investment Corp. 2 and as managing partner at SoftBank Investment Advisers.

### **Compliance with the Companies (Significant Beneficial Owners) Rules, 2018**

Our Company and each of the Selling Shareholders, severally and not jointly, confirms that it is in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended (“**SBO Rules**”), to the extent applicable to each of them, as on the date of this Draft Red Herring Prospectus.

### **Eligibility for the Offer**

Our Company is eligible for the Offer in accordance with Regulation 6(2) of the SEBI ICDR Regulations which states the following:

*“An issuer not satisfying the condition stipulated in sub-regulation (1) shall be eligible to make an initial public offer only if the issue is made through the book-building process and the issuer undertakes to allot at least seventy five per cent of the net offer to qualified institutional buyers and to refund the full subscription money if it fails to do so.”*

We are an unlisted company that does not satisfy the conditions specified in Regulation 6(1) of the SEBI ICDR Regulations and are therefore required to meet the conditions stipulated under Regulation 6(2) of the SEBI ICDR Regulations. We undertake to comply with Regulation 6(2) of the SEBI ICDR Regulations and Allot at least 75% of the Net Offer to QIBs and in the event that we fail to do so, the full application monies shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations.

Our Company confirms that it is also in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees shall not be less than 1,000.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delay period. For the avoidance of doubt, subject to applicable law, no Selling Shareholder shall be responsible to pay interest for any such delay, except to the extent such delay is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and in all other cases where the delay is not caused by and is not directly attributable to any Selling Shareholder, the Company shall solely be responsible to pay such interest.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. Our Company is in compliance with the conditions specified in Regulation 5 of the SEBI ICDR Regulations, as follows:

- (a) Neither our Company, nor our Directors, nor any of the Selling Shareholders are debarred from accessing the capital markets by the SEBI.
- (b) None of our Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor any of our Directors has been declared a Wilful Defaulter by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.
- (d) None of our Directors is a Fugitive Economic Offender.
- (e) Except for the options granted pursuant to ESOP Schemes, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus. For further information on the ESOP Schemes, see “*Capital Structure*” on page 87.

Further, our Company and Directors have not been declared as ‘Fraudulent Borrowers’ by any lending bank, financial institution or consortium, in terms of RBI master circular dated July 1, 2016.



## **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, BEING KOTAK MAHINDRA CAPITAL COMPANY LIMITED, MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED, BOFA SECURITIES INDIA LIMITED AND CITIGROUP GLOBAL MARKETS INDIA PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI ICDR REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS AND EACH OF THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE, FOR THE STATEMENTS CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AND FOR ITS RESPECTIVE PORTION OF THE OFFERED SHARES, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 1, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI ICDR REGULATIONS.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013, OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

All applicable legal requirements pertaining to the Offer will be complied with at the time of filing the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All applicable legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

### **Disclaimer from our Company, our Directors, the Selling Shareholders, the BRLMs**

Our Company, our Directors, the Selling Shareholders, the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, would be doing so at his or her own risk. It is clarified that neither the Selling Shareholders, nor their respective directors, affiliates, associates and officers, accept and/or undertake any responsibility for any statements made or undertakings provided other than those made or undertaken by such Selling Shareholder in relation to itself and/or the Equity Shares offered by it through the Offer for Sale.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into among the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, each of the Selling Shareholders, severally and not jointly (to the extent that the information pertain to its and its respective portions of the Offered Shares) and the BRLMs to the investors and the public at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at the Bidding Centres or elsewhere.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the Underwriters and their respective directors, partners, designated partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates, in their capacity as principals or agents, may engage in transactions with, and perform services for, our Company, the Selling Shareholders, their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders, and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in New Delhi, India.

This Offer is being made in India to persons resident in India, who are competent to contract under the Indian Contract Act, 1872, including Indian nationals resident in India, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), systemically important non-banking financial companies or trusts under the applicable trust laws, and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, AIFs, FPIs and QIBs. This Draft Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) at New Delhi, India only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date. This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India.

**No person outside India is eligible to bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

### **Eligibility and Transfer Restrictions**

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Our Company has not registered and does not intend to register under the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit**

of, U.S. Persons, in each case to investors that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs” and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) and “qualified purchasers” (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as “QPs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares may not be re-offered, re-sold, pledged or otherwise transferred except in an “offshore transaction” in accordance with Regulation S to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or NSE).

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

Until the expiry of 40 days after the commencement of the Offer, an offer or sale of the Equity Shares within the United States by a dealer (whether or not it is participating in the Offer) may violate the registration requirements of the U.S. Securities Act unless made pursuant to Rule 144A or another available exemption from the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.

Our Company is not and will not be registered under the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act.

### **Eligible Investors**

The Equity Shares are being offered and sold:

- i. in the United States or to, or for the account or benefit of, U.S. Persons, in each case to investors that are both U.S. QIBs and QPs, in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) the U.S. Investment Company Act; and
- ii. outside the United States to investors that are not U.S. Persons, nor persons acquiring for the account or benefit of U.S. Persons, in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur;

and in each case who are deemed to have made the representations set forth immediately below.

### ***Equity Shares Offered and Sold within the United States***

Each purchaser that is acquiring the Equity Shares offered pursuant to this Offer within the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with the Company, the Selling Shareholders and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
3. the purchaser (i) is a U.S. QIB and a QP, (ii) is aware that the sale to it is being made in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act, (iii) was not formed for the purpose of investing in the Equity Shares and (iv) is acquiring such Equity Shares for its own account or for the account or benefit of one or more persons, each of which is a U.S. QIB and a QP, with respect to which it

exercises sole investment discretion; the purchaser, and each account for which it is purchasing or otherwise acquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US\$250,000 or its equivalent in another currency.

4. The purchaser acknowledges that the Company has not registered, and does not intend to register, as an “investment company” (as such term is defined under the U.S. Investment Company Act) and that the Company has imposed the transfer and offering restrictions with respect to persons in the United States and U.S. Persons described herein so that the Company will qualify for the exception provided under Section 3(c)(7) of the U.S. Investment Company Act and will have no obligation to register as an investment company. The purchaser, and each person for which it is acting, also understands and agrees that the Company and the BRLMs shall have the right to request and receive such additional documents, certificates, representations and undertakings, from time to time, as they may deem necessary in order to comply with applicable legal requirements;
5. the purchaser is not a broker-dealer which owns and invests on a discretionary basis less than US\$25 million in securities of issuers unaffiliated with such broker-dealer;
6. the purchaser understands that, subject to certain exceptions, to be a QP, entities must have US\$25 million in “investments” (as defined in Rule 2a51-1 of the U.S. Investment Company Act);
7. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;
8. the purchaser is not a participant-directed employee plan, such as a 401(k) plan, or a trust holding the assets of such plan, unless the investment decisions with respect to such plan are made solely by the fiduciary, trustee or sponsor of such plan;
9. the purchaser is not managed as a device for facilitating individual investment decisions of beneficial owners, but rather is managed as a collective investment vehicle;
10. the purchaser, and each account for which it is purchasing or otherwise acquiring Equity Shares, will purchase, hold or transfer Equity Shares amounting to at least US\$250,000 or its equivalent in another currency;
11. it, and each person for which it is acting, was not formed, reformed or recapitalized for the purpose of investing in the Equity Shares and/or other securities of the Company;
12. if the purchaser, or any person for which it is acting, is an investment company excepted from the U.S. Investment Company Act pursuant to Section 3(c)(1) or Section 3(c)(7) thereof (or a foreign investment company under section 7(d) thereof relying on Section 3(c)(1) or 3(c)(7) with respect to its holders that are U.S. persons) and was formed on or before April 30, 1996, it has received the consent of its beneficial owners who acquired their interests on or before April 30, 1996, with respect to its treatment as a QP in the manner required by Section 2(a)(51)(C) of the U.S. Investment Company Act and the rules promulgated thereunder;
13. the purchaser, and each person for which it is acting, is not a partnership, common trust fund, or corporation, special trust, pension fund or retirement plan, or other entity, in which the partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners, as the case may be, may designate the particular investments to be made, or the allocation thereof unless all such partners, beneficiaries, beneficial owners, participants, shareholders or other equity owners are both U.S. QIBs and QPs;
14. the purchaser, and each person for which it is acting, has not invested more than 40.0% of its assets in the Equity Shares (or beneficial interests therein) and/or other securities of the Company after giving effect to the purchase of the Equity Shares (or beneficial interests therein) (unless all of the beneficial owners of such entity’s securities are both U.S. QIBs and QPs);
15. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S under the Securities Act to a person outside the United States and not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or NSE). The purchaser agrees not to effect any sale,

pledge or other transfer of any Equity Shares in a transaction unless the purchaser first executes a US Resale Letter in the form of Annexure A to this Draft Red Herring Prospectus and delivers such letter to the Company prior to the settlement if any, of the sale, pledge or other transfer of the Equity Shares that is not consummated on BSE or NSE. The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them;

16. is not subscribing to, or purchasing, the Equity Shares with a view to, or for the offer or sale in connection with, any distribution thereof (within the meaning of the U.S. Securities Act) that would be in violation of the securities laws of the United States or any state thereof;
17. the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any such Equity Shares;
18. the purchaser will not deposit or cause to be deposited such Equity Shares into any depository receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act;
19. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares or “general advertising” (within the meaning of Rule 502(c) under the Securities Act), in the United States in connection with any offer or sale of the Equity Shares;
20. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

**THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “U.S. INVESTMENT COMPANY ACT”). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE-ARRANGEMENT OR OTHERWISE IN AN “OFFSHORE TRANSACTION” COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT.**

**THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY’S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.**

21. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold and agrees not to act as a swap counterparty or other type of intermediary whereby any other party will acquire an economic interest or beneficial interest in the Equity Shares acquired or reoffer, resell, pledge or otherwise transfer the Equity Shares or any beneficial interest therein, to any person except to a person that meets all of the requirements above and who agrees not to subsequently transfer the Equity Shares or any beneficial interest therein except in accordance with these transfer restrictions;
22. the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial

interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;

23. the purchaser understands and acknowledges that our Company may be considered a “covered fund” for purposes of the Volcker Rule. The definition of “covered fund” in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a “covered fund”. Accordingly, “banking entities” that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a banking entity subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares;
24. the purchaser is knowledgeable, sophisticated and experienced in business and financial matters, fully understands the limitations on ownership and transfer and the restrictions on sales of the Equity Shares and is aware that there are substantial risks incidental to the purchase of the Equity Shares and is able to bear the economic risk of such purchase; and
25. the purchaser acknowledges that the Company, the Selling Shareholders, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

#### ***All Other Equity Shares Offered and Sold in this Offer***

Each purchaser that is a non-U.S. Person and acquiring the Equity Shares offered pursuant to this Offer outside the United States, by its acceptance of this Draft Red Herring Prospectus and of the Equity Shares offered pursuant to this Offer, will be deemed to have acknowledged, represented to and agreed with the Company, the Selling Shareholders and the BRLMs that it has received a copy of this Draft Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Offer in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares offered pursuant to this Offer have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons (not relying on Rule 902(k)(1)(viii)(B) or rule 902(k)(2)(i), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
3. the purchaser is purchasing the Equity Shares offered pursuant to this Offer in an “offshore transaction” meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;
4. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Offer, is a non-U.S. Person and was located outside the United States at each time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be a non-U.S. Person and located outside the United States and has not purchased such Equity Shares for the account or benefit of any U.S. Person or any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any U.S. Person or any person in the United States;
5. the purchaser is not an affiliate of the Company or a person acting on behalf of an affiliate;

6. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only outside the United States in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act to a person not known by the transferor to be a U.S. Person by pre-arrangement or otherwise (such permitted transactions including, for the avoidance of doubt, a bona fide sale on the BSE or the NSE) The purchaser understands that the transfer restrictions will remain in effect until the Company determines, in its sole discretion, to remove them, and confirms that the proposed transfer of the Equity Shares is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act;
7. the purchaser agrees that neither the purchaser, nor any of its affiliates, nor any person acting on behalf of the purchaser or any of its affiliates, will make any “directed selling efforts” as defined in Regulation S under the U.S. Securities Act in the United States with respect to the Equity Shares;
8. the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless the Company determine otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

**THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "U.S. INVESTMENT COMPANY ACT"). THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A US PERSON BY PRE- ARRANGEMENT OR OTHERWISE IN AN “OFFSHORE TRANSACTION” COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT AND THE U.S. INVESTMENT COMPANY ACT.**

**THIS SECURITY IS NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. EACH TRANSFEROR OF THIS SECURITY AGREES TO PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE COMPANY'S OFFER DOCUMENTS TO THE TRANSFEREE AND TO ANY EXECUTING BROKER.**

9. the purchaser agrees, upon a proposed transfer of the Equity Shares, to notify any purchaser of such Equity Shares or the executing broker, as applicable, of any transfer restrictions that are applicable to the Equity Shares being sold;
10. the purchaser understands and acknowledges that (i) the Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; (ii) any acquisition of a beneficial interest in the Equity Shares by any U.S. Person or any person within the United States who is required under these restrictions to be a QP but is not a QP at the time it acquires a beneficial interest in the Equity Shares, shall be null and void ab initio and will not be honored by the Company and in no event will the Company, its directors, officers, employees or agents, including any broker or dealer, have any liability whatsoever to the purchaser by reason of any act or failure to act by any person authorized by the Company in connection with the foregoing;
11. the purchaser understands and acknowledges that our Company may be considered a “covered fund” for purposes of the Volcker Rule. The definition of “covered fund” in the Volcker Rule includes (generally) any entity that would be an investment company under the U.S. Investment Company Act, but for the exceptions provided under Section 3(c)(1) or 3(c)(7) thereunder. Because our Company relies on Section 3(c)(7) of the U.S. Investment Company Act for its exclusion from registration thereunder, it may be considered to be a covered fund. Accordingly, “banking entities” that are subject to the Volcker Rule may be prohibited under the Volcker Rule from, among other things, acquiring or retaining our Equity Shares, absent any applicable exclusion or exemption. Each purchaser must make its own determination as to whether it is a “banking entity” subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain our Equity Shares; and

12. the purchaser acknowledges that the Company, the Selling Shareholders, the BRLMs, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

In relation to each Member State of the European Economic Area and the United Kingdom (each a “Relevant State”), no Equity Shares have been offered or will be offered pursuant to the Offer to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulations;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the BRLMs for any such offer; or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulations,

provided that no such offer of Equity Shares shall require the Company, the Selling Shareholders or any BRLM to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulations.

For the purposes of this provision, the expression an “offer to the public” in relation to any Equity Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Equity Shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

The Company, the Selling Shareholders, the BRLMs and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement.

**Bidders are advised to ensure that any Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.**

## **ERISA CONSIDERATIONS**

The following is a summary of certain considerations associated with the purchase and holding of Equity Shares by Benefit Plan Investors. A “Benefit Plan Investor” is (1) an “employee benefit plan” (as defined in Section 3(3) of the United States Employee Retirement Income Security Act, as amended (“ERISA”)) that is subject to Title I of ERISA, (2) a plan, individual retirement account, “Keogh” plan or other arrangement subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended (the “Code”), or provisions under any United States federal, state or local laws, or non-US or other laws or regulations that are similar to such provisions of the Code or ERISA, (3) an entity whose underlying assets are considered to include “plan assets” by reason of a plan’s investment in such entity (including but not limited to an insurance company general account) (each of (1), (2) and (3), a “Plan”), and (4) any entity that otherwise constitutes a “benefit plan investor” within the meaning of the regulations promulgated under ERISA by the US Department of Labor (the “DOL”), as modified by Section 3(42) of ERISA (the “DOL Plan Asset Regulations”).

The following is merely a summary, however, and should not be construed as legal advice or as complete in all relevant respects. All investors are urged to consult their own legal advisors before investing assets of a Plan in Equity Shares and to make their own independent decision.



### ***General Fiduciary Matters***

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code and prohibit certain transactions involving the assets of a Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such a Plan or the management or disposition of the assets of such a Plan, or who renders investment advice for a fee or other compensation to such a Plan, is generally considered to be a fiduciary of the Plan.

In considering an investment in Equity Shares with a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any similar law relating to a fiduciary's duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable United States federal, state or local laws, or non-US or other laws or regulations that are similar to the Code or ERISA (collectively, "Similar Laws").

### ***Prohibited Transaction Considerations***

Section 406 of ERISA and Section 4975 of the Code prohibit Plans from engaging in specified transactions involving plan assets with persons or entities who are "parties in interest," within the meaning of Section 406 of ERISA, or "disqualified persons," within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engages in a non-exempt prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and may result in the disqualification of an individual retirement account. In addition, the fiduciary of the Plan that engages in such a non-exempt prohibited transaction may be subject to penalties and liabilities under ERISA and/or the Code.

Regardless of whether or not the underlying assets of our Company (if any) are deemed to include "plan assets," as described below, the acquisition and/or holding of Equity Shares by a Plan with respect to which our Company or an underwriter is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the DOL has issued prohibited transaction class exemptions, or PTCEs, that may apply to the acquisition and holding of Equity Shares. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide an exemption from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code for certain transactions, provided that neither the issuer of the securities nor any of its affiliates (directly or indirectly) have or exercise any discretionary authority or control or render any investment advice with respect to the assets of any Plan involved in the transaction and provided further that the Plan receives no less, and pays no more, than adequate consideration in connection with the transaction. There can be no assurance that all of the conditions of any such exemptions will be satisfied or that any such exemptions will be available with respect to investments in interests in any Equity Shares.

### ***Plan Asset Considerations***

The DOL Plan Asset Regulations generally provide that when a Plan acquires an equity interest in an entity that is not (1) a "publicly-offered security," (2) a security issued by an investment company registered under the Investment Company Act, or (3) an "operating company," the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the underlying assets of the entity unless it is established that the equity participation in the entity by Benefit Plan Investors is not "significant" (the "Insignificant Participation Test").

For purposes of the DOL Plan Asset Regulations, an "operating company" is an entity that is primarily engaged, directly or through a majority-owned subsidiary or subsidiaries, in the production or sale of a product or service, other than the investment of capital. It is anticipated that our Company will qualify as an operating company within the meaning of the DOL Plan Asset Regulations, although no assurance can be given in this regard.

For purposes of the Insignificant Participation Test, the DOL Plan Asset Regulations provide that equity participation in an entity by Benefit Plan Investors is not significant if, immediately after the most recent acquisition of an equity interest in the entity, the Benefit Plan Investors' aggregate interest is less than 25% of the

value of each class of equity interests in the entity, disregarding, for purposes of such determination, any interests held by any person that has discretionary authority or control with respect to the assets of our Company or who provides investment advice for a fee with respect to the assets of our Company or an affiliate of our Company (each, a “Controlling Person”) other than Benefit Plan Investors. Following this offering, it is possible that Benefit Plan Investors will hold and will continue to hold, less than 25% of the value of each class of equity interests of our Company, disregarding, for purposes of such determination, any interests held by any Controlling Person other than Benefit Plan Investors and, as such, that our Company may rely on the Insignificant Participation Test; however, we cannot be certain or make any assurance that this will be the case.

### ***Plan Asset Consequences***

If assets of our Company were deemed to constitute “plan assets” pursuant to the DOL Plan Asset Regulations, the operation and administration of our Company would become subject to the requirements of ERISA, including the fiduciary duty rules and the “prohibited transaction” prohibitions of ERISA, as well as the “prohibited transaction” prohibitions contained in the Code. If our Company becomes subject to these regulations, unless appropriate administrative exemptions are available (and there can be no assurance that they would be), our Company could, among other things, be restricted from entering into otherwise favorable transactions, and certain transactions entered into by our Company in the ordinary course of business could constitute non-exempt prohibited transactions and/or breaches of applicable fiduciary duties under ERISA and/or the Code, which could, in turn, result in potentially substantial excise taxes and other penalties and liabilities under ERISA and the Code.

### ***Representation***

Because of the foregoing, Equity Shares should not be acquired or held by any Benefit Plan Investor or any other person investing “plan assets” of any Plan, unless such acquisition and holding will not constitute a non-exempt prohibited transaction under ERISA and the Code and will not constitute a similar violation of any applicable Similar Law.

Any purchaser or subsequent transferee, including, without limitation, any fiduciary purchasing on behalf of a Plan, a Benefit Plan Investor, or a governmental, church or non-US plan which is subject to Similar Laws will be deemed to have represented and warranted, in its corporate and fiduciary capacity, that if the purchaser or subsequent transferee is a Benefit Plan Investor, none of our Company or the underwriters or any of their respective affiliates, has acted as the Plan’s fiduciary (within the meaning of ERISA or the Code), or has been relied upon for any advice, with respect to the purchaser or transferee’s decision to acquire and hold Equity Shares, and shall not at any time be relied upon as the ERISA Plan’s fiduciary with respect to any decision to acquire, continue to hold or transfer Equity Shares.

The foregoing discussion is general in nature, is not intended to be all-inclusive. Such discussion should not be construed as legal advice. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is particularly important that fiduciaries, or other persons considering investing in Equity Shares on behalf of, or with the assets of, any Plan consult with counsel regarding the potential applicability of ERISA, Section 4975 of the Code and Similar Laws to such investment and whether an exemption would be applicable to the acquisition and/or holding of Equity Shares.

### **Disclaimer clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

### **Disclaimer clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to filing with the RoC.

### **Listing**

The Equity Shares issued through the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. [•] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such other period as may be prescribed by the SEBI. If our Company does not allot Equity Shares pursuant to the Offer within six Working Days from the Bid/Offer Closing Date or within such timeline as prescribed by the SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period. The Selling Shareholders shall, severally and not jointly, and only to the extent of their respective portions of the Offered Shares, be responsible to pay, or reimburse, as the case may be, in the proportion that the size of its respective portion of Offered Shares in the Offer for Sale bears to the total size of the Offer, any interest for such delays in making refunds only in the event any delay in making such refund is caused solely by, and is directly attributable to an act or omission of the respective Selling Shareholder and in such cases where any delay is not attributable to any Selling Shareholder, the Company shall solely be responsible to pay such interest in the manner agreed under the Offer Agreement.

### **Consents**

Consents in writing of each the Selling Shareholders, our Directors, our Company Secretary and Compliance Officer, the BRLMs, legal counsel to our Company as to Indian law, international legal advisers to our Company, legal counsel to the BRLMs as to Indian law, international legal advisers to the BRLMs, international legal advisers to SVF Doorbell (Cayman) Ltd, legal counsel to the Investor Selling Shareholders as to Indian law, legal counsel to the Individual Selling Shareholders as to Indian law, the Registrar to the Offer, RedSeer, independent chartered accountant have been obtained; and consents in writing of the Syndicate Members, Monitoring Agency, the bankers to our Offer, to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus and the RoC as required under the Companies Act. Such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for filing with the RoC.

### **Experts to the Offer**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent dated November 1, 2021 from S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated October 13, 2021 on our Restated Financial Statements; and (ii) their report dated November 1, 2021 on the statement of special tax benefits with respect to our Company and its shareholders in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

B S R & Associates LLP, Chartered Accountants has provided a written consent to include their name in this Draft Red Herring Prospectus, as required under Section 26(1) of the Companies Act as “expert”, as defined under section 2(38), in respect of their audit report dated October 31, 2021 on the Special Purpose Consolidated Financial Statements of Spoton, included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

B.B. & Associates has provided a written consent to include their name in this Draft Red Herring Prospectus, as required under Section 26(1) of the Companies Act 2013 as “expert”, as defined under section 2(38), in respect of their statement of special tax benefits dated November 1, 2021 with respect to the Material Subsidiary, Spoton Logistics Private Limited and its shareholders, included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

### **Capital issue during the previous three years**

Except as disclosed in “*Capital Structure – Notes to Capital Structure*” on page 88, our Company has not made any capital issues during the previous three years preceding the date of this Draft Red Herring Prospectus. Further, our Subsidiaries and Associate have not made any capital issues during the previous three years preceding the date of this Draft Red Herring Prospectus.

Our Group Company has not made any capital issues (public, rights or composite) during the last three years preceding the date of this Draft Red Herring Prospectus.

#### Particulars regarding public or rights issues during the last five years

There have been no public issues, including any rights issues undertaken by our Company during the five years preceding the date of this Draft Red Herring Prospectus.

#### Performance vis-à-vis Objects – Public/ rights issue of our Company

Our Company has not undertaken any public issues, including any rights issues in the five years preceding the date of this Draft Red Herring Prospectus.

#### Performance vis-à-vis Objects – Public/ rights issue of listed subsidiaries

None of our Subsidiaries are listed on any stock exchange.

#### Stock Market Data of the Equity Shares

This being the initial public offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

#### Commission or brokerage on previous issues of equity shares in the last five years

Since this is the initial public offering of the equity shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our equity shares in the five years preceding the date of this Draft Red Herring Prospectus.

#### Price information of past issues handled by the BRLMs

##### (i) Kotak Mahindra Capital Company Limited

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Aditya Birla Sun Life AMC Limited	27,682.56	712	October 11, 2021	715.00	-	-	-
2.	Vijaya Diagnostic Centre Limited	18,942.56	531 <sup>1</sup>	September 14, 2021	540.00	+5.41%, [+4.50%]	-	-
3.	Aptus Value Housing Finance India Limited	27,800.52	353	August 24, 2021	333.00	-2.82%, [+5.55%]	-	-
4.	Cartrade Tech Limited	29,985.13	1,618	August 20, 2021	1,599.80	-10.31%, [+6.90%]	-	-
5.	Devyani International Limited	18,380.00	90	August 16, 2021	140.90	+32.83%, [+4.93%]	-	-
6.	Glenmark Life Sciences Limited	15,136.00	720	August 6, 2021	750.00	-6.40%, [+6.68%]	-	-
7.	Zomato Limited	93,750.00	76	July 23, 2021	116.00	+83.29%, [+3.75%]	-	-
8.	Clean Science and Technology Limited	15,466.22	900	July 19, 2021	1,755.00	+66.33%, [+5.47%]	+138.53% [+16.42%]	-
9.	G R Infraprojects Limited	9,623.34	837 <sup>2</sup>	July 19, 2021	1,715.85	+90.82%, [+5.47%]	+138.85% [+16.42%]	-

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
10.	Krishna Institute of Medical Sciences Limited	21,437.44	825 <sup>3</sup>	June 28, 2021	1,009.00	+48.10%, [-0.43%]	+48.35%, [+12.89%]	-

Source: www.nseindia.com

Notes:

1. In Vijaya Diagnostic Centre Limited, the issue price to eligible employees was ₹479 after a discount of ₹52 per equity share.
2. In G R Infraprojects Limited, the issue price to eligible employees was ₹795 after a discount of ₹42 per equity share.
3. In Krishna Institute of Medical Sciences Limited, the issue price to eligible employees was ₹785 after a discount of ₹40 per equity share.
4. In the event any day falls on a holiday, the price/index of the immediately preceding trading day has been considered.
5. The 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days.
6. Restricted to last 10 equity initial public issues.

- Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Kotak Mahindra Capital Company Limited

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%
2021-2022	12	358,203.77	-	-	3	3	4	1	-	-	-	1	-	-
2020-2021	6	140,143.77	-	-	1	2	1	2	-	-	-	4	1	1
2019-2020	4	136,362.82	-	1	-	-	1	2	-	-	1	-	1	2

Notes:

1. The information is as on the date of this Draft Red Herring Prospectus.
2. The information for each of the financial years is based on issues listed during such financial year.

## (ii) Morgan Stanley India Company Private Limited

- Price information of past issues handled by Morgan Stanley

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Zomato Limited	93,750	76	July 23, 2021	116.00	+ 67.4% [ + 4.2% ]	NA	NA

Source: www.nseindia.com; for price information and prospectus/ basis of allotment for issue details.

Notes:

1. Issue Size is as per the prospectus filed with SEBI with the figures rounded off to the nearest decimal point
2. Benchmark index considered is NIFTY50
3. If the 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day falls on a trading holiday then pricing information on the immediate next trading day has been considered
4. Pricing Performance for the company is calculated as per the final offer price
5. Pricing Performance for the benchmark index is calculated as per the close on the day prior to the listing date

- Summary statement of price information of past issues handled by Morgan Stanley

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%
2021-2022	1	93,750	-	-	-	1	-	-	-	-	-	-	-	-
2020-2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2019-2020	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes: [www.nseindia.com](http://www.nseindia.com)

(iii) **BofA Securities India Limited**

- Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BofA Securities

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing <sup>(3)(4)(5)</sup>	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing <sup>(3)(4)(6)</sup>	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing <sup>(3)(4)(7)</sup>
1.	Aditya Birla Sun Life AMC Limited	27,682.56	712.00	October 11, 2021	715.00	-	-	-
2.	Glenmark Sciences Limited	15,136.00	720.00	August 6, 2021	750.00	-6.40% [+6.68%]	-	-
3.	Zomato Limited	93,750.00	76.00	July 23, 2021	116.00	+83.29% [+3.75%]	+81.45% [+15.20%]	-
4.	UTI Asset Management Company Limited	21,598.80	554.00	October 12, 2020	500.00	-10.43% [5.87%]	-0.60% [+20.25%]	5.81% [24.34%]
5.	SBI Cards and Payment Services Limited	103,407.80	755.00	March 16, 2020	661.00	-33.05% [-2.21%]	-21.79% [+8.43%]	12.50% [24.65%]

Source: [www.nseindia.com](http://www.nseindia.com); for price information and prospectus/ basis of allotment for issue details

**Notes:**

1. Equity public issues in last 3 financial years considered.
2. Opening price information as disclosed on the website of NSE.
3. Benchmark index is CNX Nifty.
4. In case 30<sup>th</sup> day, 90<sup>th</sup> day or 180<sup>th</sup> day is not a trading day, closing price on NSE of previous trading day is considered.
5. 30<sup>th</sup> listing day has been taken as listing date plus 29 calendar days.
6. 90<sup>th</sup> listing day has been taken as listing date plus 89 calendar days.
7. 180<sup>th</sup> listing day has been taken as listing date plus 179 calendar days.

- Summary statement of price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by BofA Securities

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%
2021-22	3	136,568.56	-	-	1	1	-	-	-	-	-	-	-	-

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%
2020-21	1	21,598.80	-	-	1	-	-	-	-	-	-	-	-	1
2019-20	1	103,407.80	-	1	-	-	-	-	-	-	-	-	-	1

**Notes:**

1. The information is as on the date of this Draft Red Herring Prospectus.
2. Based on the day of listing.

**(iv) Citigroup Global Markets India Private Limited**

- Price information of past issues handled by Citi

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	Aditya Birla Sun Life AMC Limited	27,682.56	712.00	October 11, 2021	715.00	NA	NA	NA
2.	Aptus Value Housing Finance India Limited	27,800.52	353.00	August 24, 2021	333.00	-2.82% [5.55%]	NA	NA
3.	Cartrade Tech Limited	29,985.13	1,618.00	August 20, 2021	1,599.80	-10.31% [+6.90%]	NA	NA
4.	Zomato Limited	93,750.00	76.00	July 23, 2021	116.00	+83.29% [+3.75%]	+81.45% [+15.20]	NA
5.	Kalyan Jewellers India Limited	11,748.16	87.00	March 26, 2021	73.95	-24.60% [-1.14%]	-7.07% [+8.13%]	-21.95% [+19.92%]
6.	Gland Pharma Limited	64,795.45	1,500.00	November 20, 2020	1,710.00	+48.43% [+7.01%]	+57.27% [+18.27%]	+104.17% [+17.49%]
7.	UTI Asset Management Company Limited	21,598.84	554.00	October 12, 2020	500.00	-10.43% [+5.87%]	-0.60% [+20.25%]	+5.81% [+24.34%]
8.	Polycab India Limited	13,452.60	538.00	April 16, 2019	633.00	+15.36% [-5.35%]	+14.70% [-1.99%]	+23.76% [-4.09%]

Source: www.nseindia.com

**Notes:**

(1) Nifty is considered as the benchmark index.

(2) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs. Issue Price. % change in closing benchmark index is calculated based on closing index on listing day vs. closing index on 30th / 90th / 180th calendar day from listing day.

(3) 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case closing price on NSE of a trading day immediately prior to the 30th / 90th / 180th day, is considered.

- Summary statement of price information of past issues handled by Citi

Fiscal	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe en 25-50%	Less than 25%	Over 50%	Betwe n 25-50%	Less than 25%
2021-22	4	179,218.21	-	-	2	1	-	-	-	-	-	-	-	-
2020-21	3	98,142.45	-	-	2	-	1	-	-	-	1	1	-	1
2019-20	1	13,452.6	-	-	-	-	-	1	-	-	-	-	-	1

Source: [www.nseindia.com](http://www.nseindia.com)

Notes:

(1) The information is as on the date of the document.

(2) The information for each of the financial years is based on issues listed during such financial year.

(3) Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

#### Mechanism for redressal of investor grievances

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least eight years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. Our Company has appointed Sunil Kumar Bansal, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, see “**General Information**” on page 77.

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder’s DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for RIBs who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgement Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs with whom the Bid cum Application Form was submitted by the Anchor Investor.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares.



SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of larger amount than the application amount and/or delayed unblocking of amounts for the stipulated period, the investors shall be compensated by the SCSBs at the rate higher of ₹100 per day or 15% per annum of the application amount. In an event there is a delay in redressal of the investor grievance, the BRLMs shall compensate the investors at the rate higher of ₹100 per day or 15% per annum of the application amount.

For helpline details of the BRLMs pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “**General Information - Book Running Lead Managers**” on page 79.

Further, the Bidder shall also enclose a copy of the Acknowledgement Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under SEBI ICDR Regulations.

Our Company has obtained authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

#### **Disposal of Investor Grievances by our Company**

We estimate that the average time required by our Company and/or the Registrar to the Offer for the redressal of routine investor grievances shall be 7 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted a Stakeholders’ Relationship Committee comprising our Director, Saugata Gupta as Chairperson and Srivatsan Rajan and Kapil Bharati, as members, which is responsible for review and redressal of grievances of the security holders of our Company. For details, see “**Our Management – Stakeholders’ Relationship Committee**” on page 211.

Our Company has not received any investor grievances during the three years preceding the date of this Draft Red Herring Prospectus and as on date, there are no investor complaints pending.

## SECTION VII: OFFER INFORMATION

### TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and offer for sale and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or regulatory authority while granting their approval for the Offer, to the extent and for such time as these continue to be applicable.

#### Ranking of the Equity Shares

The Equity Shares being offered and Allotted pursuant to the Offer shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend. The Allottees upon Allotment of Equity Shares in the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of the Allotment. For further details, see “*Main Provisions of Articles of Association*” on page 546.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the MoA and AoA and provisions of the SEBI Listing Regulations and any other guidelines, policies or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Allottees, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of Articles of Association*” on pages 219 and 546, respectively.

#### Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹1 and the Floor Price is ₹[●] per Equity Share and at the Cap Price is ₹[●] per Equity Share. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Offer Price and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and the Price Band will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs, and advertised at least two Working Days prior to the Bid/ Offer Opening Date in all editions of [●], an English national daily newspaper, all editions of [●], a Hindi national daily newspaper Hindi being the regional language of New Delhi, where our Registered Office is located, each with wide circulation, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination of the Equity Shares.

#### The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Expenses for the Offer shall be shared amongst our Company and each of the Selling Shareholders in the manner specified in “*Objects of the Offer – Offer related expenses*” on page 126.

#### Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- (i) Right to receive dividends, if declared;

- (ii) Right to attend general meetings and exercise voting rights, unless prohibited by law;
- (iii) Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- (iv) Right to receive offers for rights shares and be allotted bonus shares, if announced;
- (v) Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- (vi) Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules, foreign exchange regulations and other applicable law; and
- (vii) Such other rights, as may be available to a shareholder of a listed public company under the Companies Act 2013, the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, etc., see “*Main Provisions of the Articles of Association*” on page 546.

#### **Allotment only in dematerialised form**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall also only be in dematerialised form. In this context, two agreements have been entered into amongst our Company, the respective Depositories and the Registrar to the Offer:

- (i) Tripartite agreement dated October 13, 2021 amongst our Company, NSDL and the Registrar to the Offer.
- (ii) Tripartite agreement dated October 19, 2021 amongst our Company, CDSL and the Registrar to the Offer.

#### **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Offer will be only in electronic form in multiples of [●] Equity Shares subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see “*Offer Procedure*” on page 525.

#### **Jurisdiction**

Exclusive jurisdiction for the purposes of the Offer is with the competent courts/ authorities in New Delhi, India.

#### **Joint holders**

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

#### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only in the prescribed form available on request at our Registered Office or to the Registrar.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their respective Depository Participant.

### Withdrawal of the Offer

Our Company, in consultation with the BRLMs, reserves the right not to proceed with the Fresh Issue, and each of the Selling Shareholders reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of its respective portion of the Offered Shares, prior to filing of the RHP. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/ Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank (in case of RIBs using the UPI Mechanism), to unblock the bank accounts of the ASBA Bidders and the Escrow Collection Bank to release the Bid Amounts to the Anchor Investors, within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which the Equity Shares are proposed to be listed. In terms of the UPI Circulars, in relation to the Offer, the BRLMs will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days of the Bid/Offer Closing Date or such other time period as prescribed under Applicable Law; and (ii) filing of the Prospectus with the RoC and the Stock Exchanges. If our Company and the Selling Shareholders, in consultation with the BRLMs withdraw the Offer after the Bid/ Offer Closing Date and thereafter determine that they will proceed with public offering of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges.

### Bid/Offer programme

<b>BID/OFFER OPENS ON<sup>(1)</sup></b>	<b>[●]</b>
<b>BID/OFFER CLOSES ON<sup>(2)</sup></b>	<b>[●]</b>

(1) Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

(2) Our Company, in consultation with the BRLMs may, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account <sup>(1)</sup>	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

(1) In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated in accordance with applicable law by the

*intermediary responsible for causing such delay in unblocking, which period shall start from the day following the receipt of a complaint from the Bidder. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.*

**The above timetable is indicative and does not constitute any obligation or liability on our Company, our Selling Shareholders, or the BRLMs.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days from the Bid/Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of each of the Selling Shareholders, as may be required in respect of its respective portion of the Offered Shares, the timetable may change due to various factors, such as extension of the Bid/ Offer Period by our Company, in consultation with the BRLMs, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each of the Selling Shareholders, severally and not jointly, confirms that it shall provide all reasonable support and extend reasonable cooperation, solely to the extent of its respective portion of the Offered Shares, as required under Applicable Law or reasonably requested by the Company and/or the Book Running Lead Managers in relation to timely completion of the Offer within the timelines set forth under Applicable Law.**

**SEBI is in the process of streamlining and reducing the post-issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Red Herring Prospectus may result in changes to the above mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.**

**Submission of Bids (other than Bids from Anchor Investors):**

<b>Bid/Offer Period (except the Bid/Offer Closing Date)</b>	
Submission and revision in Bids	Only between 10:00 a.m. IST and 5:00 p.m. IST
<b>Bid/Offer Closing Date</b>	
Submission and revision in Bids	Only between 10:00 a.m. IST and 3:00 p.m. IST

**On the Bid/Offer Closing Date, the Bids shall be uploaded until:**

- (i) 4:00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5:00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by RIBs and Eligible Employees Bidding under the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time may be granted by Stock Exchanges only for uploading Bids received by RIBs and Eligible Employees Bidding under the Employee Reservation Portion after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis within 60 minutes of the bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining such information from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit a confirmation in respect thereof to the BRLMs and the Registrar to the Offer on a daily basis.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded

will not be considered for allocation under this Offer. Bids and any revisions in Bids will be accepted only during Working Days, during the Bid/Offer Period.

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLMs and on the terminals of the Syndicate Members and by intimation to the Designated Intermediaries. In case of revision of Price Band, the Bid Lot shall remain the same.**

### **Minimum subscription**

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR including through devolvement of underwriters, as applicable, within 60 days from the date of Bid/Offer Closing Date; or the minimum subscription of 90% of the Fresh Issue on the Bid/Offer Closing Date; or subscription level falls below aforementioned minimum subscription after the Bid/Offer Closing Date due to withdrawal of Bids; or after technical rejections or any other reason; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the offer document, our Company shall forthwith refund the entire subscription amount received, in accordance with applicable law. If there is a delay in such refund beyond four days after our Company becomes liable to pay the amount, our Company and every Director of our Company who is an officer in default, shall pay interest at the rate of 15% p.a.

It is clarified that, subject to applicable laws, none of the Selling Shareholders shall be liable to pay any amounts as interest for any delay, unless such default or delay is solely and directly attributable to an act or omission of such Selling Shareholder.

In the event of achieving aforesaid minimum subscription, however, there is under subscription in achieving the total Offer size, the Equity Shares will be Allotted in the following order:

- (i) such number of Equity Shares will first be Allotted by our Company such that 90% of the Fresh Issue portion is subscribed;
- (ii) upon (i), such number of Offered Shares offered by each of the Selling Shareholders, will be Allotted, in the same pro rata proportion as the Equity Shares offered by such Selling Shareholders in the Offer for Sale; and
- (iii) once Equity Shares have been Allotted as per (i) and (ii) above, such number of Equity Shares will be Allotted by our Company towards the balance 10% of the Fresh Issue portion.

In terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

### **New financial instruments**

Our Company is not issuing any new financial instruments through this Offer.

**Arrangements for disposal of odd lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

**Restrictions, if any on transfer and transmission of Equity Shares**

Except for the lock-in of the pre-Offer Equity Share capital of our Company and the Anchor Investor lock-in as provided in “*Capital Structure*” page 87, and except as provided in our Articles of Association as detailed in “*Main Provisions of Articles of Association*” on page 546, there are no restrictions on transfer and transmission of the Equity Shares, and on their consolidation or splitting.

## OFFER STRUCTURE

Offer of [●] Equity Shares for cash at a price of ₹[●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹74,600 million comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹50,000 million by our Company and an Offer for Sale of up to [●] Equity Shares aggregating up to ₹24,600 million.

The Offer comprises a Net Offer of up to [●] Equity Shares and Employee Reservation Portion of up to [●] Equity Shares. The Employee Reservation Portion shall not exceed 5% of our post-Offer paid-up Equity Share capital. The Offer and the Net Offer shall constitute [●]% and [●]%, respectively of the post-Offer paid-up Equity Share capital of our Company. The face value of each Equity Share is ₹1 each.

The Offer is being made through the Book Building Process.

Particulars	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation <sup>*(2)</sup>	Not more than [●] Equity Shares	Not less than [●] Equity Shares	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and RIBs	Not more than [●] Equity Shares available for allocation or Net Offer less allocation to QIB Bidders and Non Institutional Bidders
Percentage of Offer size available for Allotment/ allocation	The Employee Reservation Portion shall constitute up to [●]% of the Offer Size	Not less than 75% of the Net Offer shall be Allotted to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to the Net QIB Portion	Not more than 15% of the Net Offer or the Net Offer less allocation to QIB Bidders and RIBs shall be available for allocation	Not more than 10% of the Net Offer or the Net Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed *	Proportionate <sup>#</sup> ; unless the Employee Reservation Portion is undersubscribed, the value of allocation to an Eligible Employee shall not exceed ₹200,000. In the event of undersubscription in the Employee Reservation Portion, the unsubscribed portion may be Allocated, on a proportionate basis, to Eligible Employees for a value exceeding ₹200,000, subject to total Allotment to an Eligible Employee not exceeding ₹500,000	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see “ <i>Offer Procedure</i> ” on page 525



Particulars	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
		Our Company and the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price.		
Minimum Bid	[●] Equity Shares and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds ₹200,000	Such number of Equity Shares and in multiples of [●] Equity Shares so that the Bid Amount exceeds ₹200,000	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, so that the maximum Bid Amount by each Eligible Employee in Eligible Employee Portion does not exceed ₹500,000	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer, subject to applicable limits	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Offer (excluding the QIB Portion), subject to limits applicable to Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹200,000
Mode of Allotment	Compulsorily in dematerialised form			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			[●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to availability in the Retail Category
Trading Lot	One Equity Share			
Who can apply <sup>(3)</sup>	Eligible Employees (such that the Bid Amount does not exceed ₹500,000)	Public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial banks, Mutual Funds, FPIs (other than individuals, corporate bodies and family offices), VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions, societies and trusts and any individuals, corporate bodies and family offices including FPIs which are individuals, corporate bodies and family offices which are re-categorised as Category II FPIs and registered with SEBI.	Indian Resident individuals, Eligible NRIs and HUFs (in the name of the karta)

Particulars	Eligible Employees <sup>#</sup>	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
		funds with minimum corpus of ₹250 million National Investment Fund set up by the GoI, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important NBFCs.		
Terms of payment	<b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			
	<b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.			
Mode of Bidding	Only through the ASBA process (except for Anchor Investors)			

\* Assuming full subscription in the Offer.

<sup>#</sup> Eligible Employees Bidding in the Employee Reservation Portion can Bid up to a Bid Amount of ₹500,000. However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹200,000. In the event of under-subscription in the Employee Reservation Portion the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000. Further, an Eligible Employee Bidding in the Employee Reservation Portion can also Bid in the Net Offer and such Bids will not be treated as multiple Bids subject to applicable limits. Furthermore, an Eligible Employee Bidding in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.

- (1) Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors at the price at which allocation is made to Anchor Investors, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹100 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million under the Anchor Investor Portion, subject to a minimum Allotment of ₹50 million per Anchor Investor, and (iii) in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof will be permitted, subject to minimum allotment of ₹50 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹100 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by our Company in consultation with the BRLMs.
- (2) Subject to valid Bids being received at or above the Offer Price. This is an Offer in terms of Rule 19(2)(b) of the SCRR and under the SEBI ICDR Regulations, in compliance with Regulation 6(2) of the SEBI ICDR Regulations.
- (3) If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on page 530 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

Eligible Employees bidding in the Employee Reservation Portion at a price within the Price Band can make

payment based on Bid Amount, at the time of making a Bid. Eligible Employees bidding in the Employee Reservation Portion at the Cut-Off Price have to ensure payment at the Cap Price, at the time of making a Bid.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis.

## OFFER PROCEDURE

All Bidders should read the General Information Document which highlights the key rules, processes and procedures applicable to public issues in general, in accordance with the provisions of the Companies Act the SCRA, the SCRR and the SEBI ICDR Regulations, which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer especially in relation to the process for Bids by RIBs through the UPI Mechanism.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. Thereafter, the final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any further circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is applicable for initial public offers opening on or after May 1, 2021 except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Draft Red Herring Prospectus.

Our Company, the Selling Shareholders, and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

### Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 31 of the SEBI ICDR Regulations, through the Book Building Process in accordance with Regulation 6(2) of the SEBI ICDR Regulations wherein not less than 75% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at

or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. If at least 75% of the Net Offer cannot be Allotted to QIBs, the Bid Amounts received by our Company shall be refunded. Further, not more than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not more than 10% of the Net Offer shall be available for allocation to RIBs in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Furthermore, up to [●] Equity Shares, aggregating up to ₹[●] million shall be made available for allocation on a proportionate basis only to Eligible Employees Bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price, if any.

Under-subscription, if any, in any category, including the Employee Reservation Portion, except in the QIB Portion, would be allowed to be met with spill over from any other category or a combination of categories of Bidders, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spill-over from any other category or a combination of categories. Further, in the event of an under-subscription in the Employee Reservation Portion, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹200,000 subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. The unsubscribed portion, if any, in the Employee Reservation Portion shall be added to the Net Offer.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID (for RIBs Bidding through the UPI Mechanism and Eligible Employees Bidding in the Employee Reservation Portion Bidding using the UPI Mechanism), as applicable shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

#### **Phased implementation of Unified Payments Interface**

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of, amongst others, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

The Offer will be made under UPI Phase II of the UPI Circular, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as a Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the RIBs using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges, and the BRLMs.

### **Electronic registration of Bids**

- a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Offer.
- b) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 p.m. IST on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchanges' Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

### **Bid cum Application Form**

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available with the BRLMs.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. RIBs can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) the bank account details and authorisation to block funds in the ASBA Form; or (ii) the UPI ID (in case of RIBs), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIBs using third party bank account or using third party linked bank account UPI ID are liable for rejection.

RIBs using the UPI Mechanism bidding must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner as follows: (i) RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers; (ii) RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers and (iii) QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs. For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Anchor Investors are not permitted to participate in the Offer through the ASBA process.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Bidders, RIBs and Eligible NRIs applying on a non-repatriation basis	[●]
Non-residents including Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral institutions applying on a repatriation basis	[●]
Anchor Investors	[●]
Eligible Employees Bidding in the Employee Reservation Portion	[●]

\* Excluding electronic Bid cum Application Forms

Notes:

(1) Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com))

(2) Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs

(3) Bid cum Application Forms for Eligible Employees shall be available at the Corporate Office of our Company.

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than RIBs using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate a request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate RIBs (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the issuer bank. The Sponsor Banks and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on a daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIBs Bidding using the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

The processing fees for applications made by RIBs using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. The Company has not registered and does not intend to register under the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case to investors that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs” and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) and “qualified purchasers” (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as “QPs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Participation by associates and affiliates of the BRLMs and the Syndicate Members and the persons related to the BRLMs and the Syndicate Members**

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, none of the BRLMs nor any associates of the BRLMs can apply in the Offer under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the BRLMs;
- (ii) insurance companies promoted by entities which are associate of the BRLMs;
- (iii) AIFs sponsored by the entities which are associate of the BRLMs; or
- (iv) FPIs (other than individuals, corporate bodies and family offices) sponsored by the entities which are associates of the BRLMs.

Further, an Anchor Investor shall be deemed to be an associate of the BRLMs, if: (a) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (b) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (c) there is a common director, excluding a nominee director, amongst the Anchor Investor and the BRLMs.



### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that such Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of RIBs Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA Regulations.

In accordance with the FEMA rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to a special resolution dated October 15, 2021 by the Shareholders, the aggregate ceiling of 10% was raised to 24% for our Company.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

For details of investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 544. Participation of Eligible NRIs shall be subject to the FEMA Regulations.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids by HUFs may be considered at par with Bids from individuals.

### **Bids by FPIs**

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50%

or common control) must be below 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI or an investor group shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs could be up to 100%, being the sectoral cap of the paid-up Equity Share capital of our Company on a fully diluted basis.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

With effect from April 1, 2020, the aggregate limits for FPI investments are the sectoral caps applicable to our Company (i.e. up to 100% under the automatic route).

The FEMA Non-Debt Instruments Rules was enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- (c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
- (d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager (“MIM”) structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents.

#### **Bids by SEBI-registered VCFs, AIFs and FVCIs**

The SEBI VCF Regulations as amended, amongst others, prescribe the investment restrictions on VCFs, registered with SEBI. The SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Accordingly, the holding in any company by any individual VCF or FVCIs (under Schedule I of the FEMA Non-Debt Instruments Rules) registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their respective corpus in one investee company. A category III AIF cannot invest more than 10% of its corpus in one investee company. A VCF registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, Provided that such equity shares shall be locked in for a period of at least one year from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

**There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company, the Selling Shareholders and the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008,

as amended, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended, ("**Banking Regulation Act**"), and the Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company, not being its subsidiary engaged in non-financial services, or 10% of the banking company's paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services cannot exceed 20% of the bank's paid-up share capital and reserves.

However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banking companies in terms of Section 6(1) of the Banking Regulation Act; (ii) the additional acquisition is through restructuring of debt, or to protect the banking company's interest on loans/investments made to a company; (iii) hold along with its subsidiaries, associates or joint ventures or entities directly or indirectly controlled by the bank; and mutual funds managed by asset management companies controlled by the bank, more than 20% of the investee company's paid up share capital engaged in non-financial services. However, this cap doesn't apply to the cases mentioned in (i) and (ii) above.

Further, the aggregate investment by a banking company in all its subsidiaries and other entities engaged in financial services and non-financial services, including overseas investments, cannot exceed 20% of the banking company's paid up share capital and reserves. The banking company is required to submit a time-bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of the RBI to make an investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in para (i) above.

### **Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars (Nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013) dated September 13, 2012 and January 2, 2013, respectively. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016, as amended ("**IRDAI Investment Regulations**"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid, without assigning any reason thereof.

### **Bids under power of attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPIs, AIFs, Mutual Funds, NBFC – SI, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be attached with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.

Our Company, in consultation with the BRLMs in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form subject to the terms and conditions that our Company, in consultation with the BRLMs may deem fit.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof. Systemically Important NBFCs participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below. Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of the BRLMs.

Except for Mutual Funds, AIFs or FPIs (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs, no BRLM or its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, among the Anchor Investors and any BRLM.

The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹100 million. A Bid cannot be submitted for over 60% of the QIB Category. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹100 million.

One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

Our Company, in consultation with the BRLMs, may finalise allocation to the Anchor Investors on a discretionary basis, provided that, there shall be:

- a maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹100 million;
- a minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹100 million but up to ₹2,500 million, subject to a minimum Allotment of ₹50 million per Anchor Investor; and

- in case of allocation above ₹2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million, subject to minimum Allotment of ₹50 million per Anchor Investor.

Allocation to Anchor Investors will be completed on the Anchor Investor Bid/Offer Period. Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date, and will be completed on the same day. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, will be made available in the public domain by the BRLMs, before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.

Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Offer Price will be payable by the Anchor Investors on the Anchor Investor pay-in date specified in the CAN. If the Offer Price is lower than the Anchor Investor Offer Price, Allotment to successful Anchor Investors will be at the higher price.

Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.

Bids made by QIBs under both the Anchor Investor Portion and the QIB Category will not be considered multiple Bids.

#### **Bids by Eligible Employees**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹500,000 on a net basis. However, the initial allocation to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹200,000. Allotment in the Employee Reservation Portion will be as detailed in the section “*Offer Structure*” on page 521.

However, Allotments to Eligible Employees in excess of ₹200,000 shall be considered on a proportionate basis, in the event of undersubscription in the Employee Reservation Portion, subject to the total Allotment to an Eligible Employee not exceeding ₹500,000. Subsequent under-subscription, if any, in the Employee Reservation Portion shall be added back to the Net Offer. Eligible Employees Bidding in the Employee Reservation Portion may Bid at the Cut-off Price.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid cum Application Form or Revision Form (i.e. [●] colour form).
- Only Eligible Employees (excluding such other persons not eligible under applicable laws, rules, regulations and guidelines) would be eligible to apply in this Offer under the Employee Reservation Portion.
- In case of joint bids, the sole/ First Bidder shall be the Eligible Employee.
- Bids by Eligible Employees may be made at Cut-off Price.
- Only those Bids, which are received at or above the Offer Price would be considered for allocation under this portion.
- The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee subject to a maximum Bid Amount of ₹500,000 on a net basis.
- If the aggregate demand in this portion is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Bids by Eligible Employees in the Employee Reservation Portion and in the Net Offer portion shall not be treated as multiple Bids. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

- Eligible Employees shall not Bid through the UPI mechanism. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer.

In the event of under-subscription in the Employee Reservation Portion, the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹500,000.

If the aggregate demand in this portion is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of Allotment, see “*Offer Procedure*” on page 525.

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, or as will be specified in the Red Herring Prospectus and the Prospectus.**

In accordance with existing regulations issued by the RBI, OCBs cannot participate in this Offer.

### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder’s responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders, and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **General Instructions**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bid(s) during the Bid/Offer Period and withdraw their Bid(s) until Bid/Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bid/Offer Period.

#### ***Do’s:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not an RIB bidding using the UPI Mechanism in the Bid cum Application Form and if you are an RIB using the

- UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle) in the Bid cum Application Form;
5. Retail Individual Bidders bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
  6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. RIBs using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP;
  7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB, before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer;
  8. If the first Bidder is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have an account with an SCSB and have mentioned the correct bank account number in the Bid cum Application Form (for all Bidders other than RIBs bidding using the UPI Mechanism);
  9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
  10. Ensure that you request for and receive a stamped acknowledgement counterfoil or acknowledgment specifying the application number as a proof of having accepted Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
  11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms;
  12. RIBs bidding in the Offer to ensure that they shall use only their own ASBA Account or only their own bank account linked UPI ID (only for RIBs using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
  13. Ensure that when applying in the Offer using UPI, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
  14. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
  15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
  16. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date;
  17. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;



18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular no. MRD/Dop/Cir-20/2008 dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular no. MRD/DoP/SE/Cir- 8 /2006 dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
19. Bidders should ensure that their PAN is linked with their Aadhaar and that they are in compliance with the notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press release dated June 25, 2021;
20. Ensure that the Demographic Details are updated, true and correct in all respects;
21. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
22. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
23. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
24. Ensure that Bids submitted by any person resident outside India is in compliance with applicable foreign and Indian laws;
25. Since the Allotment will be in demat form only, ensure that the Bidder’s depository account is active, the correct DP ID, Client ID, the PAN, UPI ID, if applicable, are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, the PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
27. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorisation of the mandate using his/her UPI PIN, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorised the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form; and
28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at [www.sebi.gov.in](http://www.sebi.gov.in)).
29. If you are in the United States or a U.S. person then you are both a U.S. QIB and a QP, and you will purchase, hold or transfer Equity Shares amounting to at least US\$250,000 or its equivalent in another currency.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders) and ₹500,000 for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not submit the Bid for an amount more than funds available in your ASBA account;
8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of a Bidder;
9. If you are a RIB using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID;
10. Anchor Investors should not Bid through the ASBA process;
11. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
12. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
13. Do not submit the General Index Register (GIR) number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
15. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
16. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
17. Do not submit a Bid/revise a Bid Amount, with a price less than the Floor Price or higher than the Cap Price;
18. Do not submit a Bid using UPI ID, if you are not a RIB;
19. Do not Bid on another Bid cum Application Form or the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
20. Do not Bid for more Equity Shares than what is specified by respective Stock Exchange for each category;
21. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/Offer Closing Date;

22. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for, exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus;
23. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. RIB may revise or withdraw their Bids on or before the Bid/Offer Closing Date;
24. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations. If you are RIB using UPI Mechanism, do not submit the ASBA Form directly with SCSBs;
25. If you are an RIB which is submitting the ASBA Form with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third party linked bank account UPI ID;
26. Do not Bid if you are an OCB;
27. RIBs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/ or mobile applications which is not mentioned in the list provided on the SEBI website are liable to be rejected;
28. Do not submit the Bid cum Application Forms to any non-SCSB bank;
29. Do not submit a Bid cum Application Form with third party ASBA Bank Account or UPI ID (in case of Bids submitted by RIB Bidder using the UPI Mechanism); and
30. If you are in the United States or a U.S. Person, then do not Bid for a Bid Amount for less than USD 250,000 or its equivalent in another currency.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking, etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “**General Information**” on page 77.

For helpline details of the BRLMs pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “**General Information - Book Running Lead Managers**” on page 79.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the Red Herring Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Net Offer to the public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the RIBs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each RIBs shall not be less than the minimum bid lot, subject to the availability of shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

### **Payment into Escrow Account(s) for Anchor Investors**

Our Company, in consultation with the BRLMs, in their absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account(s) should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) In case of non-resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders and the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections of Bid amounts from Anchor Investors.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper, Hindi also being the regional language of New Delhi, where our Registered Office is located).

In the pre-Offer advertisement, we shall state the Bid/Offer Opening Date and the Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the prescribed limits under applicable laws or regulations.**

### **Signing of the Underwriting Agreement and the RoC Filing**

- (a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued and offered in the Offer, which will be executed on or immediately after the finalisation of the Offer Price and allocation of Equity Shares which shall be a date prior to the filing of Prospectus with the RoC.
- (b) After signing the Underwriting Agreement, the Prospectus will be filed with the RoC in accordance with applicable law. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

### **Undertakings by our Company**

Our Company undertakes the following:

1. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
2. all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken in consultation with BRLMs within such period as may be prescribed under applicable law;
3. if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and applicable law for the delayed period;
4. the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
5. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable

communication shall be sent to the Bidder within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

6. except for Equity Shares to be allotted pursuant to the Offer and any allotment of Equity Shares to employees of our Company pursuant to exercise of vested employee stock options granted under the ESOP Schemes, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.;
7. compliance with all disclosure and accounting norms as may be specified by SEBI from time to time; and
8. that adequate arrangements shall be made to collect all Bid cum Application Forms.

### **Undertakings by the Selling Shareholders**

Each of the Selling Shareholder undertakes, severally and not jointly, in respect of itself as a Selling Shareholder and its respective portion of the Offered Shares that:

- it is the legal and beneficial holder of and holding clear and marketable title to its Offered Shares, which have been acquired and held by it in compliance with applicable law;
- it is not debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities; has not been categorised as a ‘wilful defaulter’; and does not have any proceedings pending against it for violation of securities laws;

it shall not make a bid in the Offer, or offer any incentive, whether direct or indirect, in any manner, to any Bidder for making a Bid in the Offer; and shall not make any payment, whether direct or indirect, to any person who makes a Bid in the Offer except for payment of fees or commission for services in relation to the Offer;

The decisions with respect to the Price Band and revision of Price Band will be taken by our Company and the Selling Shareholders, in consultation with the BRLMs, and decisions with respect to the minimum Bid lot and the Offer Price will be taken by our Company, in consultation with the BRLMs. The statements and undertakings provided above are statements which are specifically confirmed or undertaken, severally and not jointly, by each Selling Shareholder in relation to itself and its respective portion of the Offered Shares. All other statements or undertakings or both in this Draft Red Herring Prospectus in relation to the Selling Shareholders (which have not been made by the Selling Shareholders themselves), shall be statements made by our Company, even if the same relate to the Selling Shareholders.

### **Utilisation of Offer Proceeds**

Our Board certifies and declares that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act;
- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested. Our Company confirms and declares that all monies received out of the Offer shall be transferred to a separate bank account other than the bank account referred to in sub section 3 of Section 40 of the Companies Act.

### **Impersonation**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act which is reproduced below:

*“Any person who—*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹1 million or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5 million or with both.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the GoI and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 1991 unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases.

The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. The FDI Policy provides that up to 100% foreign investment under the automatic route is currently permitted for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India. Each Bidder should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Offer in writing about such approval along with a copy thereof within the Offer Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. The Company has not registered and does not intend to register under the U.S. Investment Company Act in reliance on Section 3(c)(7) of the U.S. Investment Company Act, and investors will not be entitled to the benefits of the U.S. Investment Company Act. Accordingly, the Equity Shares are only being offered and sold (i) to persons in the United States or to or for the account or benefit of, U.S. Persons, in each case to investors that are both “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs” and, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) and “qualified purchasers” (as defined under the U.S. Investment Company Act and referred to in this Draft Red Herring Prospectus as “QPs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and in reliance on Section 3(c)(7) of the U.S. Investment Company Act; or (ii) outside the United States to investors that are not U.S. Persons nor persons acquiring for the account or benefit of U.S. Persons in**

**“offshore transactions” in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

For further details, see “*Offer Procedure*” on page 525.



## **SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.*

*The Articles of Association of our Company consist of two parts, Part A and Part B. Upon the commencement of listing of the Equity Shares of the Company on BSE and NSE, approved in accordance with the terms of the Articles of Association of our Company in India, pursuant to an initial public offering of the Equity Shares of the Company, Part B shall automatically stand deleted, not have any force and be deemed to be removed from the Articles of Association and the provisions of Part A shall automatically come in effect and be in force, without any further corporate or other action by the Company or its shareholders.*

### **PART A OF THE ARTICLES OF ASSOCIATION**

#### **Applicability of Table F**

Subject to the provisions herein and in so far as the Articles do not modify or exclude them, the regulations contained in Table 'F' of Schedule I of the Companies Act, 2013 shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from the Articles.

#### **Share capital and variation of rights**

Article 3 provides that "The authorized share capital of the Company shall be such as mentioned in clause V of the Memorandum, with the power of the Board, from time to time, to increase, reduce, sub-divide or to repay the same or to divide the same into several classes and to attach thereto any right and to consolidate or subdivide or re-organize the Shares subject to the provisions of the Act, to vary such rights as may be determined in accordance with the regulations of the Company."

Article 4 provides that "Subject to the provisions of the Act and these Articles, the Shares in the capital of the Company shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of the Act) and at such time as they may from time to time think fit and with the approval of the Company in a general meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the directors of the Company deem fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold or transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call of Shares shall not be given to any person or persons without the approval of the Company in the general meeting."

Article 5 provides that "Except as required by Law, no person shall be recognized by the Company as holding any Share upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share, or any interest in any fractional part of a Share, or (except only as by these regulations or by Law otherwise provided) any other rights in respect of any Share except an absolute right to the entirety thereof in the registered holder."

Article 6 provides that "(i) The Company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder. (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40. (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in the one way and partly in the other."

Article 7 provides that "If at any time the Share capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of that class) may, subject to the provisions of section 48, and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of that class. To every such separate meeting, the provisions of

these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued Shares of the class in question.”

Article 8 provides that “The rights conferred upon the holders of the Shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the Shares of that class, be deemed to be varied by the creation or issue of further Shares ranking pari passu therewith.”

Article 9 provides that “Subject to the provisions of these Articles, the Act, other applicable Law and subject to such other approvals, permissions or sanctions as may be necessary, the Company may issue any Shares with or without differential rights upon such terms and conditions and with such rights and privileges (including with regard to voting rights and dividend) as may be permitted by the Act or the applicable Law or guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles.”

Article 10 provides that “Subject to the provisions of section 55 of the Act and any other relevant provisions read with the rules made thereunder, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the Company before the issue of the Shares may, by special resolution, determine.”

Article 11 provides that “Subject to the provisions of Section 63 of the Act and any other relevant provisions read with the rules made thereunder, bonus Shares be issued to its Shareholders out of (i) its free reserves; (ii) the securities premium account; or (iii) the capital redemption reserve account, in any manner as the Board may deem fit.”

Article 12 provides that “Notwithstanding anything contained in these Articles but subject to the provisions of Sections 68 to 70 and other applicable provisions of the Act or any other Law for the time being in force, the Company shall have the power to buy-back its own Shares or other securities, as it may consider necessary.”

Article 13 provides that “The Company may, from time to time, by ordinary resolution increase the Share capital by such sum, to be divided into Shares of such amount, as may be specified in the resolution.”

Article 14 provides that “Subject to the provisions of Section 61 of the Act, the Company may, by ordinary resolution: (a) consolidate and divide all or any of its Share capital into Shares of larger amount than its existing Shares; (b) convert all or any of its fully paid-up Shares into stock, and reconvert that stock into fully paid-up Shares of any denomination; (c) sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the memorandum; (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.”

Article 15 provides that “Where shares are converted into stock –

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the Shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the Shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up Shares shall apply to stock and the words “Share” and “Shareholder” in those regulations shall include “stock” and “stock-holder” respectively.”

Article 16 provides that “Subject to the provisions of the Act, the Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by Law:

- (a) its Share capital;
- (b) any capital redemption reserve account; or
- (c) any Share premium account.”

Article 17 provides that “Further issue of shares:

- (a) Where at any time, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then:

(i) such shares shall be offered to persons who, at the date of the offer, are holders of Equity Shares of the Company in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date, by sending a letter of offer subject to the applicable provisions of the Act and the rules notified thereunder and any other applicable laws for the time being force.

(ii) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.

(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice as aforesaid shall contain a statement of this right; provided that the directors of the Company may decline, giving reasons for refusal to allot any shares to any person in whose favour any member may renounce the shares offered to him.

(iv) After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the members and the Company;

(b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under Law; or

(c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to compliance with the applicable provisions of Chapter III of the Act and any other conditions as may be prescribed."

Article 18 provides that "Notwithstanding anything contained in the preceding sub-clause, the Company may offer aforesaid further shares to any persons (whether or not those persons include the persons mentioned in the preceding sub-clause 17.(a)(i)) in any manner:

(a) if a special resolution to that effect is passed by the Company in a General Meeting; or

(b) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company."

Article 19 provides that "Nothing in Article 17(a)(iii) above, shall be deemed: (a) to extend the time within which the offer should be accepted; or (b) to authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the Shares comprised in the renunciation."

Article 20 provides that "Nothing in the above Article shall apply to the increase of the subscribed capital of a Company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company or to subscribe for Shares of the Company.

Provided that the terms of the issue of such debentures or the terms of such loans include a term providing for such option and such term has been approved by a special resolution passed by the Company in a general meeting before the issue of the debentures or raising of the loans."

Article 21 provides that "The provisions contained in this Article shall be subject to the provisions of the Section 42 and Section 62 of the Act, the rules notified thereunder and the applicable provisions of the Act or any other applicable law for the time being force."

Article 22 provides that "Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawings, allotment of Shares, attending (but not voting) at general meetings, appointment of directors and otherwise, debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in general meeting accorded by a special resolution."

## **Lien**

Article 23 provides that "The Company shall have a first and paramount lien on every Share/debenture (not being a fully paid share/debenture), and on the proceeds of sale thereof for all monies (whether presently payable or not)

called, or payable at a fixed time in respect of such Share/debenture whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that this Article is to have full effect. The Company's lien, if any, on a Share shall extend to all dividends payable and bonuses declared from time to time in respect of such Shares. Unless otherwise agreed the registration of a transfer of Shares/debentures shall operate as a waiver of the Company's lien if any on Shares/debentures. Provided that the directors may, at any time, declare any Shares/debentures wholly or in part to be exempt from the provisions of this Article."

Article 24 provides that "The fully paid-up Shares shall be free from all lien and in case of partly paid Shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such Shares."

Article 25 provides that "Subject to the provisions of the Act, the Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien."

Article 26 provides that "A member shall not exercise any voting rights in respect of the Shares registered in his/her name on which any calls or other sums presently payable by him/her have not been paid, in regard to which the Company has exercised the right of lien."

### **Call on shares**

Article 27 provides that "The Board may, from time to time and in the manner it deems fit, make calls upon the Shareholders in respect of any monies unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times."

Article 31 provides that "The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof."

### **Dematerialization of shares**

Article 36 provides that "The Company shall be entitled to treat the person whose name appears on the register of members as the holder of any Share or whose name appears as the beneficial owner of Shares in the records of the depository, as the absolute owner thereof."

Provided however that provisions of the Act or these Articles relating to distinctive numbering shall not apply to the Shares of the Company, which have been dematerialized."

Article 37 provides that "Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its Shares, debentures and other securities pursuant to the Depositories Act 1996 (including any statutory modification or re-enactment thereof for the time being in force) and offer its Shares, debentures and other securities for subscription in a dematerialized form."

Article 38 provides that "Every person subscribing to the Shares offered by the Company shall receive such Shares in dematerialized form. The Company shall intimate such depository the details of allotment of the Shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Shares. Such a person who is the beneficial owner of the Shares can at any time opt out of a depository, if permitted by the Law, in respect of any Shares in the manner provided by the Depositories Act 1996 (including any statutory modification or re-enactment thereof for the time being in force) and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares."

### **Transfer of shares**

Article 43 provides that "The Shares of any Shareholder shall be freely transferable."

Article 44 provides that "The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof."

Article 45 provides that "The instrument of transfer of Shares shall be in writing and the applicable provisions of the Act be duly complied with in respect of the transfer of Shares and registration thereof."

Article 46 provides that “The Board may, subject to the right of appeal conferred by section 58 decline to register (a) the transfer of a Share, not being a fully paid Share, to a person of whom they do not approve; or (b) any transfer of Shares on which the company has a lien.”

Article 47 provides that “Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise, to register the transfer of, or the transmission by operation of law of the right to, shares or interest of a member in the Company and shall within one month communicate the same to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.”

Article 48 provides that “The Board may decline to recognise any instrument of transfer unless (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56 of the Act; (b) the instrument of transfer is accompanied by the certificate of the Shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of Shares.”

Article 49 provides that “Every Shareholder whose name is entered as a member in the Register of Members shall be entitled, without payment of any charge, to one or more certificates, in marketable lots, for all the Shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the directors may from time to time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two months from the date of allotment, unless the conditions of the issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of its Shares as the case may be. Every certificate of shares shall be under the Seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors of the Company may prescribe and approve, provided that, in respect of a share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to the first named joint holders shall be sufficient delivery to all such holders. Such share certificates shall also be issued in the event of consolidation or sub-division of Shares of the Company.”

### **Transmission of shares**

Article 54 provides that “On the death of a Shareholder, the survivor or survivors where the Shareholder was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares. Nothing in these Articles shall release the estate of a deceased joint holder from any liability in respect of any Share which had been jointly held by him with other persons.”

Article 55 provides that “Any person becoming entitled to a Share in consequence of the death or insolvency of a Shareholder may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either (a) to be registered himself as holder of the Share; or (b) to make such transfer of the Share as the deceased or insolvent member could have made.”

Article 56 provides that “The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Shareholder had transferred the Share before his death or insolvency.”

Article 60 provides that “A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as a Shareholder in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company, provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied with within ninety days, the Board may thereafter

withhold payment of all dividends, bonuses or other monies payable in respect of the Share, until the requirements of the notice have been complied with.”

### **Forfeiture of shares**

Article 61 provides that “If any Shareholder fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.”

Article 62 provides that “The notice aforesaid shall –

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made shall be liable to be forfeited.”

Article 63 provides that “If the requirements of any such notice as aforesaid are not complied with, any Share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.”

Article 64 provides that “A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.”

Article 65 provides that “At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.”

Article 66 provides that “The Shareholder whose Shares have been forfeited shall cease to be a Shareholder in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares. The liability of such Shareholder shall cease if and when the Company shall have received payment in full of all such monies in respect of the Shares.”

### **Capitalization of profits**

Article 70 provides that “The Company in a general meeting may, upon the recommendation of the Board, resolve:

(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in Article 56 amongst the Shareholders who would have been entitled thereto, if distributed by way of dividend and in the same proportions.”

Article 71 provides that “The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Article 57 below, either in or towards:

(a) paying up any amounts for the time being unpaid on any Shares held by such members respectively;

(b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Shareholders in the proportions aforesaid; or

(c) partly in the way specified in Article 56 (a) and partly in that specified in Article 56 (b);

(d) a securities premium account and a capital redemption reserve account may, for the purposes of this Article, be applied in the paying up of unissued Shares to be issued to Shareholders of the Company as fully paid bonus Shares;

(e) the Board shall give effect to the resolution passed by the Company in pursuance of this Article.”

### **General meetings**

Article 75 provides that “All general meetings other than annual general meeting shall be called extraordinary general meeting.”

Article 76 provides that “The Board may, whenever it thinks fit, call an extraordinary general meeting.”

Article 77 provides that “If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two Shareholders of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.”

### **Proceedings at general meetings**

Article 78 provides that “No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.”

Article 79 provides that “Save as otherwise provided herein, the quorum for the general meetings shall be as provided in Section 103 of the Act.”

Article 80 provides that “The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.”

Article 81 provides that “If there is no such chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be chairperson of the meeting.”

Article 82 provides that “If at any meeting no director is willing to act as chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be chairperson of the meeting.”

### **Voting rights**

Article 87 provides that “Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be in proportion to his Share in the paid-up equity Share capital of the company.”

Article 88 provides that “A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.”

Article 89 provides that “In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.”

### **Proxy**

Article 94 provides that “The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.”

Article 95 provides that “An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.”

Article 96 provides that “A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.”

### **Board of directors**

Article 97 provides that “(i) The first directors of the Company were Mr. Suraj Saharan and Mr. Nitin Dhingra. Subject to applicable provisions of the Act, the minimum number of directors shall not be less than 3 (three) and maximum number of directors shall at any time not exceed 15 (Fifteen).

(ii) Pursuant to the consummation of an initial public offering on recognized stock exchanges in India, and subject to approval of the Shareholders of the Company by way of a special resolution in the first general meeting convened after the listing of Equity Shares of the Company on a recognized stock exchange in India pursuant to the initial public offering:

- (a) Notwithstanding anything contained elsewhere in these Articles, the Board shall at all times consist of not more than 3 (three) directors from the Management Team of the Company (the “**Management Team Directors**”), as nominated by the Nomination and Remuneration Committee, provided that such director shall be a member of the Management Team as of the date of the appointment and shall continue to be a member of the Management Team during the term of their directorship. For the purpose of Article 97(ii), the term “**Management Team**” shall mean (a) each of the founders of the Company, being Sahil Barua, Suraj Saharan and Kapil Bharati, severally and not jointly, until such founder is in the employment of the Company and/ or its Subsidiaries in senior executive capacities; and/ or (b) such other “key managerial personnel” of the Company as may be determined by the Nomination and Remuneration Committee from time to time and shall include the “key managerial personnel” of the Company identified in the Offer Documents.
- (b) Notwithstanding anything contained elsewhere in these Articles, SVF Doorbell (Cayman) Ltd shall be entitled to nominate one (1) director on the Board, who shall be deemed to be a non-independent director for the purposes of the Company’s Board, for as long as SVF Doorbell (Cayman) Ltd and/or its affiliates continue to hold at least 10% of the Company’s issued and outstanding paid-up share capital on a fully diluted basis.”

Article 98 provides that “The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them (a) in attending and returning from meetings of the Board or any committee thereof or general meetings of the Company; or (b) in connection with the business of the Company.”

Article 99 provides that “The Company may exercise the powers conferred on it by Section 88 of the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such Articles as it may think fit respecting the keeping of any such register.”

Article 102 provides that “Subject to the provisions of Section 149 of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles. Such person shall hold office only up to the date of the next annual general meeting of the Company but shall be eligible for appointment by the Company as a director at that meeting subject to the provisions of the Act.”

### **Proceedings of the board**

Article 105 provides that “The Board may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.”

Article 106 provides that “A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.”

Article 107 provides that “Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the chairperson of the Board, if any, shall have a second or casting vote.”

Article 108 provides that “The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the Company, but for no other purpose.”

Article 109 provides that “The Board may elect a chairperson of its meetings and determine the period for which he is to hold office. If no such chairperson is elected, or if at any meeting the chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be chairperson of the meeting.”



Article 110 provides that “The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.”

Article 115 provides that “The Board, subject to Section 179 and any other applicable provisions of the Act, may entrust to and confer upon a managing director or whole time director or such other person as it deems fit, any of the powers exercisable by them upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.”

### **Chief executive officer, manager, company secretary or chief financial officer**

Article 116 provides that “Subject to the provisions of the Act:

(a) a chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; and

(b) a director may be appointed as chief executive officer, manager, company secretary or chief financial officer.”

Article 117 provides that “A provision of the Act or these Articles requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.”

### **Dividends and reserve**

Article 120 provides that “The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.”

Article 121 provides that “Subject to the provisions of Section 123 of the Act, the Board may from time to time pay to the Shareholders such interim dividends as appear to it to be justified by the profits of the Company.”

Article 129 provides that “Unpaid or unclaimed dividends:

(1) If the Company has declared a dividend but which has not been paid or claimed or the dividend warrant in respect thereof has not been posted or sent within 30 days from the date of declaration of the dividend, the Company shall, transfer the total amount of dividend, which remained unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called the “Unpaid Dividend Account” as per the applicable provisions of the Act.

(2) Any money so transferred to the Unpaid Dividend Account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund known as “Investors Education and Protection Fund” constituted pursuant to the Act, or such other Fund as may be required under the Act.

(3) No unpaid or unclaimed dividend shall be forfeited by the Board before the claim becomes barred by law.”

### **Winding up**

Article 132 provides that “The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).”

Article 133 provides that “Subject to the provisions of Chapter XX of the Act and rules made thereunder:

(a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the Shareholders, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Shareholders or different classes of Shareholders.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no Shareholder shall be compelled to accept any Shares or other securities whereon there is any liability.”

## **PART B OF THE ARTICLES OF ASSOCIATION**

Part B of the Articles of Association provide for, among other things, the rights of certain shareholders pursuant to the Shareholders' Agreement. For more details on the Shareholders' Agreement, see "*History and Certain Corporate Matters – Shareholders' agreement*" on page 194.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company and includes contracts entered into until the date of this Draft Red Herring Prospectus) which are or may be deemed material, will be attached to the copy of the Red Herring Prospectus which will be delivered to the RoC for filing and are also available at the following weblink: <https://www.delhivery.com/investor-relations/material-contracts/>. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

#### Material Contracts for the Offer

1. Offer Agreement dated November 1, 2021 amongst our Company, the Selling Shareholders and the BRLMs.
2. Registrar Agreement dated October 23, 2021 amongst our Company, the Selling Shareholders and the Registrar to the Offer.
3. Escrow and Sponsor Bank Agreement dated [●], 2021 amongst our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs and the Banker(s) to the Offer.
4. Share Escrow Agreement dated [●], 2021 amongst the Selling Shareholders, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated [●], 2021 amongst our Company, the Selling Shareholders, the BRLMs, the Registrar to the Offer and the Syndicate Members.
6. Underwriting Agreement dated [●], 2021 amongst our Company, the Selling Shareholders, the BRLMs, the Registrar to the Offer and the Syndicate Members.
7. Monitoring Agency Agreement dated [●], 2021 between our Company and the Monitoring Agency.

#### Material Documents

1. Certified copies of our Memorandum and Articles of Association of our Company, as amended until date.
2. Certified copies of the certificates of incorporation dated June 22, 2011 and December 8, 2015, and the fresh certificate of incorporation dated October 12, 2021 consequent to conversion into a public limited company, respectively.
3. Resolution of our Board dated October 13, 2021 authorising the Offer and other related matters.
4. Shareholders' resolution dated October 15, 2021 in relation to the Fresh Issue and other related matters.
5. Resolution of our Board dated November 1, 2021 approving this Draft Red Herring Prospectus.
6. Resolution of the board of directors of CA Swift Investments dated October 20, 2021 consenting to participate in the Offer for Sale; resolution of the board of directors of Deli CMF Pte. Ltd. dated October 19, 2021 consenting to participate in the Offer for Sale; resolution of the board of directors of SVF Doorbell (Cayman) Ltd dated September 22, 2021 consenting to participate in the Offer for Sale; and resolution of the board of directors of Times Internet Limited dated September 15, 2021 consenting to participate in the Offer for Sale.
7. Consent letters dated October 20, 2021, October 19, 2021, October 21, 2021, October 21, 2021, October 21, 2021, October 21, 2021 and October 21, 2021 provided by CA Swift Investments, Deli CMF Pte. Ltd., SVF Doorbell (Cayman) Ltd, Times Internet Limited, Kapil Bharati, Mohit Tandon and Suraj Saharan, respectively, consenting to participate in the Offer for Sale.

8. The examination report dated October 13, 2021 of the Statutory Auditors, on our Restated Financial Statements.
9. The report dated November 1, 2021 of the Statutory Auditors, on our Proforma Financial Statements. The report dated November 1, 2021 on the ‘Statement of special tax benefits available to the Company and its shareholders under the applicable laws in India’ from the Statutory Auditors.
10. The report dated November 1, 2021 on the Statement of special tax benefits available to our Material Subsidiary, Spoton Logistics Private Limited and its shareholders, from B.B. & Associates, Chartered Accountants.
11. Consent letters of bankers to our Company, the BRLMs, Registrar to the Offer, legal counsel to our Company as to Indian law, international legal counsel to our Company, legal counsel to the BRLMs as to Indian law, international legal counsel to the BRLMs, legal counsel to the Investor Selling Shareholders as to Indian law, legal counsel to the Individual Selling Shareholders as to Indian law, Directors, Company Secretary and Compliance Officer, RedSeer, independent chartered accountant, Public Offer Bank, Sponsor Bank, Escrow Collection Bank, and Syndicate Members, to act in their respective capacities.
12. Written consent letter dated November 1, 2021 from S.R. Batliboi & Associates LLP, Chartered Accountants, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report, dated October 13, 2021 on our Restated Financial Statements; and (ii) their report dated November 1, 2021 on the statement of special tax benefits available to the Company and its shareholders under the applicable laws in India included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.
13. Consent letter dated November 1, 2021, provided by B S R & Associates LLP, Chartered Accountants, to include their name in this Draft Red Herring Prospectus, as required under Section 26(1) of the Companies Act as “expert”, as defined under section 2(38) of the Companies Act, in respect of their audit report dated October 31, 2021 on the Special Purpose Consolidated Financial Statements of Spoton.
14. Consent Letter dated November 1, 2021 provided by B.B. & Associates to include their name in this Draft Red Herring Prospectus, as required under Section 26(1) of the Companies Act as “expert”, as defined under Section 2(38), in respect of their statement of special tax benefits dated November 1, 2021 with respect to the Material Subsidiary, Spoton Logistics Private Limited and its shareholders, included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.
15. Amended and Restated Shareholders’ Agreement dated August 9, 2021 executed among our Company, SVF Doorbell (Cayman) Ltd, CA Swift Investments, Internet Fund III Pte. Ltd., Nexus Ventures III, Ltd., Nexus Opportunity Fund Ltd., Times Internet Limited, Canada Pension Plan Investment Board, FedEx Express Transportation and Supply Chain Services (India) Private Limited, Sahil Barua, Suraj Saharan, Kapil Bharati, Bhavesh Kishor Manglani, Mohit Tandon, Abhishek Goyal, Ajith Pai Mangalore, Dinesh Advani, Sandeep Kumar Barasia, Sushant Kashyap and Vikas Kapoor.
16. Amendment Agreement dated October 26, 2021, to the Shareholders’ Agreement dated August 9, 2021, entered into by and amongst our Company, SVF Doorbell (Cayman) Ltd, CA Swift Investments, Internet Fund III Pte. Ltd., Nexus Ventures III, Ltd., Nexus Opportunity Fund Ltd., Times Internet Limited, Canada Pension Plan Investment Board, FedEx Express Transportation and Supply Chain Services (India) Private Limited, Sahil Barua, Suraj Saharan, Kapil Bharati, Bhavesh Kishor Manglani, Mohit Tandon, Abhishek Goyal, Ajith Pai Mangalore, Dinesh Advani, Sandeep Kumar Barasia, Sushant Kashyap and Vikas Kapoor.
17. Waiver Letter dated October 26, 2021, to the Shareholders’ Agreement dated August 9, 2021, entered into by and amongst our Company, SVF Doorbell (Cayman) Ltd, CA Swift Investments, Internet Fund III Pte. Ltd., Nexus Ventures III, Ltd., Nexus Opportunity Fund Ltd., Times Internet Limited, Canada Pension Plan Investment Board, FedEx Express Transportation and Supply Chain Services (India) Private Limited, Sahil Barua, Suraj Saharan, Kapil Bharati, Bhavesh Kishor Manglani, Mohit Tandon, Abhishek Goyal, Ajith Pai Mangalore, Dinesh Advani, Sandeep Kumar Barasia, Sushant Kashyap and Vikas Kapoor.

18. Asset Purchase Agreement dated July 15, 2021 among our Company, FedEx Express Transportation and Supply Chain Services (India) Private Limited and TNT India Private Limited.
19. Asset Purchase Agreement dated February 27, 2019 between our Company and Aramex India Private Limited.
20. Business Transfer Agreement dated January 16, 2020 among our Company, Orion Supply Chain Private Limited, Anurag Garg, Puneet Bagla, Saurabh and Roadpiper Technologies Private Limited.
21. Asset Purchase Agreement dated February 20, 2021 among our Company, Delhivery USA LLC, Mohammed Ali, Vivek Subramanian and Primaseller Inc.
22. Share Purchase Agreement dated July 29, 2021 executed among our Company, Spoton Logistics Private Limited, Samara Alternative Investment Fund, Samara Capital Partners Fund II Limited Virginia Tech Foundation Inc., Xponentia Opportunities Fund-I and Xponentia Fund Partners LLP.
23. Pick-up, Delivery and Sales Agent Agreement dated July 15, 2021 executed by our Company and FedEx Express Transportation and Supply Chain Services (India) Private Limited.
24. Copies of annual reports for the preceding three Financial Years, i.e., Financial Years 2021, 2020 and 2019.
25. Industry Report titled '*Logistics Market in India*' dated October 29, 2021 issued by RedSeer, appointed by our Company pursuant to an engagement letter dated June 8, 2021 and commissioned and paid for by our Company.
26. Due diligence certificate dated November 1, 2021 addressed to SEBI from the BRLMs.
27. In principle listing approvals dated [●] and [●], issued by BSE and NSE, respectively.
28. SEBI observation letter bearing reference number [●] and dated [●].
29. Tripartite agreement dated October 13, 2021 amongst our Company, NSDL and the Registrar to the Offer.
30. Tripartite agreement dated October 19, 2021 amongst our Company, CDSL and the Registrar to the Offer.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the shareholders, subject to compliance with provisions contained in the Companies Act and other relevant laws.

## DECLARATION

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**Deepak Kapoor**  
*Chairman and Non-Executive Independent Director*

**Date:** November 1, 2021

**Place:** New Delhi

## **DECLARATION**

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**Sahil Barua**  
*Managing Director and Chief Executive Officer*

**Date:** November 1, 2021

**Place:** Goa

## **DECLARATION**

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**Sandeep Kumar Barasia**  
*Executive Director and Chief Business Officer*

**Date:** November 1, 2021

**Place:** New Delhi



## **DECLARATION**

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**Kapil Bharati**  
*Executive Director and Chief Technology Officer*

**Date:** November 1, 2021

**Place:** New Delhi

## **DECLARATION**

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**Agus Tandiono**  
*Non-Executive Nominee Director*

**Date:** November 1, 2021

**Place:** Hong Kong

## **DECLARATION**

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**Suvir Suren Sujan**  
*Non-Executive Nominee Director*

**Date:** November 1, 2021

**Place:** Maldives

## **DECLARATION**

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**Munish Ravinder Varma**  
*Non-Executive Nominee Director*

**Date:** November 1, 2021

**Place:** London

## DECLARATION

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

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**Kalpana Jaisingh Morparia**  
*Non-Executive Independent Director*

**Date:** November 1, 2021

**Place:** Mumbai

## DECLARATION

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

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**Romesh Sobti**  
*Non-Executive Independent Director*

**Date:** November 1, 2021

**Place:** Dehradun

## DECLARATION

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

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**Saugata Gupta**  
*Non-Executive Independent Director*

**Date:** November 1, 2021

**Place:** Mumbai

## **DECLARATION**

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**Srivatsan Rajan**  
*Non-Executive Independent Director*

**Date:** November 1, 2021

**Place:** Vrindavan (U.P.)



## **DECLARATION**

I hereby declare and certify that all relevant provisions of the Companies Act and the guidelines or regulations issued by the GoI or the guidelines or regulations issued by the SEBI, established under Section 3 of the SEBI Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SEBI Act, 1992 or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Amit Agarwal**  
*Chief Financial Officer*

**Date:** November 1, 2021

**Place:** Gurugram

## **DECLARATION BY CA SWIFT INVESTMENTS**

CA Swift Investments, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as an Investor Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. CA Swift Investments assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF **CA SWIFT INVESTMENTS**

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**Name:** Adiilah Ibrahim Balladin

**Designation:** Director

**Date:** November 1, 2021

**Place:** Ebene, Mauritius

**DECLARATION BY DELI CMF PTE. LTD.**

Deli CMF Pte. Ltd., hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as an Investor Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. Deli CMF Pte. Ltd. assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF **DELI CMF PTE. LTD.**

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**Name:** Jun Hou

**Designation:** Director

**Date:** November 1, 2021

**Place:** Pleasanton, California, USA

**DECLARATION BY SVF DOORBELL (CAYMAN) LTD**

SVF Doorbell (Cayman) Ltd, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as an Investor Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. SVF Doorbell (Cayman) Ltd assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF **SVF DOORBELL (CAYMAN) LTD**

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**Name:** Karen Ellerbe

**Designation:** Director

**Date:** November 1, 2021

**Place:** Cayman Islands

## **DECLARATION BY TIMES INTERNET LIMITED**

Times Internet Limited, hereby confirms that all statements and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself as an Investor Selling Shareholder and the Equity Shares offered by it through the Offer for Sale, are true and correct. Times Internet Limited assumes no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

FOR AND ON BEHALF OF **TIMES INTERNET LIMITED**

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**Name:** Sahil Vohra

**Designation:** Vice President & General Counsel

**Date:** November 1, 2021

**Place:** Gurugram

### **DECLARATION BY KAPIL BHARATI**

I, Kapil Bharati, hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself as an Individual Selling Shareholder and the Equity Shares offered by me through the Offer for Sale, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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**Name:** Kapil Bharati

**Date:** November 1, 2021

**Place:** New Delhi

### **DECLARATION BY MOHIT TANDON**

I, Mohit Tandon, hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself as an Individual Selling Shareholder and the Equity Shares offered by me through the Offer for Sale, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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**Name:** Mohit Tandon

**Date:** November 1, 2021

**Place:** New Delhi

### **DECLARATION BY SURAJ SAHARAN**

I, Suraj Saharan, hereby confirm that all statements and undertakings specifically made or confirmed by me in this Draft Red Herring Prospectus in relation to myself as an Individual Selling Shareholder and the Equity Shares offered by me through the Offer for Sale, are true and correct. I assume no responsibility for any other statements, including, any of the statements made by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Red Herring Prospectus.

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**Name:** Suraj Saharan

**Date:** November 1, 2021

**Place:** Gurugram



## ANNEXURE A – US RESALE LETTER

*[on the letterhead of an investor who is a U.S. Person or a person in the United States; to be executed after resale of the Equity Shares outside the United States which was not consummated on the BSE or the NSE; to be delivered to the Company prior to the settlement of any sale or other transfer of Shares]*

Delhivery Limited  
Plot 5, Sector 44,  
Gurugram 122002  
Haryana, India

Ladies and Gentlemen:

This letter (“**Resale Letter**”) relates to the sale or other transfer by us of equity shares (the “**Shares**”) of the Company, which is required to be in an “offshore transaction” pursuant to Regulation S (“**Regulation S**”) under the Securities Act of 1933, as amended (the “**U.S. Securities Act**”). Terms used in this Resale Letter are used as defined in Regulation S, except as otherwise stated herein.

We hereby represent and warrant to you as follows:

- (a) We previously purchased the Shares for our own account (or for one or more beneficial owners for which we have acted as fiduciary or agent, with complete investment discretion and with authority to bind each such person), as both a “qualified institutional buyer” (as defined in Rule 144A under the U.S. Securities Act) and a “qualified purchaser” (as defined in Section 2(a)(51) and related rules of the Investment Company Act of 1940, as amended, and the rules thereunder (the “**U.S. Investment Company Act**”). We understand that the Shares have not been and will not be registered under the US Securities Act and that the Company has not registered and will not register as an investment company under the U.S. Investment Company Act).
- (b) The offer and sale of the Shares by us was not made to a person in the United States or to a U.S. Person (as defined in Regulation S).
- (c) Either:
  - (i) at the time the buy order for the sale of the Shares by us was originated, the buyer was outside the United States or we and any person acting on our behalf reasonably believed that the buyer was outside the United States; or
  - (ii) the transfer of the Shares by us was executed in, on or through the facilities of the [●] Stock Exchange or the [●] Stock Exchange, and neither we nor any person acting on our behalf has reason to believe that the transaction was pre-arranged with a buyer in the United States.
- (d) Neither we, nor any of our affiliates, nor any person acting on our or their behalf, has made any directed selling efforts (as such term is defined in Regulation S) in the United States with respect to the Equity Shares.
- (e) The transfer of the Equity Shares by us was not and is not part of a plan or scheme to evade the registration requirements of the U.S. Securities Act or the U.S. Investment Company Act.
- (f) None of the Company, any of its agents nor any of their respective affiliates participated in the sale of the Equity Shares by us.
- (g) We agree that the Company, its agents and their respective affiliates may rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

*Where there are joint transferors, each must sign this US Resale Letter. A US Resale Letter of a corporation must be signed by an authorized officer or be completed otherwise in accordance with such corporation’s constitution (and evidence of such authority may be required).*

Yours sincerely,

(Name of Transferor)

By:

Title:

Date: