



People
Powering
Logistics

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People Powering Logistics

This idea is at the heart of our business and organisational goals. Our Annual Report this year is a way for us to express our pride, appreciation, and gratitude towards the people who tirelessly drive the Delhivery story forward and celebrate their achievements.

This is our tribute to the gateway operators who run our largest—and sometimes most distant—sortation centres and terminals, meticulously scanning, sorting and loading packages, and freight at all times of the day and year.

The thousands of truck drivers navigating national and state highways and local roads in all weathers and across all terrains.

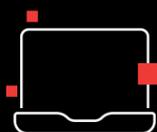
The tens of thousands of delivery agents who drive out every day, touching millions of households and businesses across the span of India.

This is our celebration of the security and control tower analysts who watch over network operations so our clients

and their customers can sleep easy, assured of the safety and timely delivery of their goods.

The engineering, technology, and data sciences teams that work relentlessly to find ways of routing goods faster to our customers while making operations easier for our executives.

These are the 92,000+ tenacious, committed individuals and teams who make up Delhivery. *The people who truly power logistics.*



For more details please visit
www.delhivery.com

Highlights of the year



Operating at scale

₹72,236 Mn

Revenue from services

663 Mn

Express Parcels shipped

1,101K Tonnes

PTL Freight delivered

130K+

Fleet size#

18 Mn sq. ft.

Total infrastructure*

220+

Countries and territories served*



Environment

23.9%

Reduction in logistics intensity@



Social

6,059

Total Skills Development Programme (SDP) registrations from 650+ cities



Governance

6

Independent Directors (more than 50% of the Board)

730,740 kWh

Solar energy generated

₹10 Mn

Contributed to India's Olympic Gold Quest (France 2024)

43%

Inputs sourced sustainably^

562

Large form-factor vehicles deployed&

@ YoY reduction in logistics intensity, which is measured in gCO₂e/t-km of material transported

& Combined count of 43-46 ft. tractors deployed by Delhivery and fleet partners as of end of FY23

^Based on the responses received from vendors catering to the top 75% of the Company's spends and their percentage contribution is calculated out of the total input value

#Total unique vehicles operated at least once during FY23
*As of March 31, 2023



We are Delhivery

India's largest fully integrated logistics provider

Our world-class logistics infrastructure and industrial engineering and a large network of domestic and global partners enable us to deliver speed, reliability, flexibility, and efficiency to thousands of customers and millions of Indian households each day.

2 Bn+

Express Parcel shipments delivered since inception^

18,540

Pin codes covered^

27,500+

Active customers#

94

Gateways^

4,055

Delivery centres^@

92,294

Workforce*

^As of March 31, 2023

#Active Customers for a period are those customers on whom an invoice is raised at least once during the period. For FY23, it is the average number of active customers during the 4 quarters

@ Sum of direct delivery centres and partner delivery locations

*Includes permanent employees, contractual workers and last mile agents (excluding daily wage manpower, and security guards)



Vision

We aim to build the operating system for commerce through a combination of world-class infrastructure, logistics operations of the highest quality, cutting-edge engineering, and technology capabilities powered by our driven, entrepreneurial team.



What we do

Delivering efficiency, reliability and flexibility through our suite of services

Express Parcel

- E-commerce solutions
 - Express logistics
 - Surface logistics
 - SDD/NDD solutions
- Reverse logistics
 - QC-enabled reverse logistics
- Heavy goods
- Consumer shipping/courier
- BFSI solutions

US\$10-12 Bn*



Truckload (TL) Freight

- Contract TL solutions
- Spot freight exchange
- National, regional & intra-city freight

US\$163 Bn*



Supply Chain Services

- Industry-specific integrated warehousing and transportation: auto, FMCG, electronics, fashion, chemicals, industrials, F&B etc.
- E-commerce and heavy goods fulfilment
- Direct-to-Consumer (D2C) fulfilment solutions
- Inward store management
- Inventory optimisation

US\$109 Bn*



Part Truckload (PTL) Freight

- Express PTL
- Economy PTL
- FOD/FOP solutions
- Reverse logistics

US\$26 Bn*



Cross-Border Services

- International express parcel shipping (in partnership with FedEx and Aramex)
- Door-to-door air and ocean freight shipping services

US\$8 Bn+*



*Total addressable market expected as of FY26 by Redseer

Pan-India, every day

Be it in pouring rain, biting cold, or searing heat; in the hills, high-rise buildings, remote villages or along the coasts—our team of 47,000 delivery personnel, including Last-Mile Agents (LMAs) and Field Executives (FEs), bring satisfaction to millions of customers.



Chandigarh ਵਿੱਚ ਹਾਲ ਹੀ ਵਿੱਚ ਆਏ ਹੜ੍ਹਾਂ ਦੌਰਾਨ ਵੀ, ਅਸੀਂ ਇਹ ਯਕੀਨੀ ਬਣਾਇਆ ਕਿ ਕਾਰਜ ਸੁਚਾਰੂ ਢੰਗ ਨਾਲ ਚੱਲੇ ਅਤੇ ਸਪੁਰਦਗੀ ਸਮਾਂ-ਸਾਰਣੀ ਅਨੁਸਾਰ ਕੀਤੀ ਗਈ। ਮੀਂਹ ਜਾਂ ਚਮਕ, ਅਸੀਂ ਸਾਰੀਆਂ ਸਥਿਤੀਆਂ ਵਿੱਚ ਪ੍ਰਦਾਨ ਕਰਦੇ ਹਾਂ। Delhivery ਵਿੱਚ ਪਿਛਲੇ ਤਿੰਨ ਸਾਲਾਂ ਤੋਂ ਇਸ ਵਿੱਚ ਵਿਸ਼ਵਾਸ ਕਰਨ ਨੇ ਮੈਨੂੰ LMA ਤੋਂ FE ਤੱਕ ਵਧਣ ਵਿੱਚ ਮਦਦ ਕੀਤੀ ਹੈ।"

Narinder Kumar



I like working with Delhivery because helping my community gives me a great sense of accomplishment. We live in one of the remotest parts of India, and my job makes me feel connected to the rest of the country."

Mohmmad Ashraf



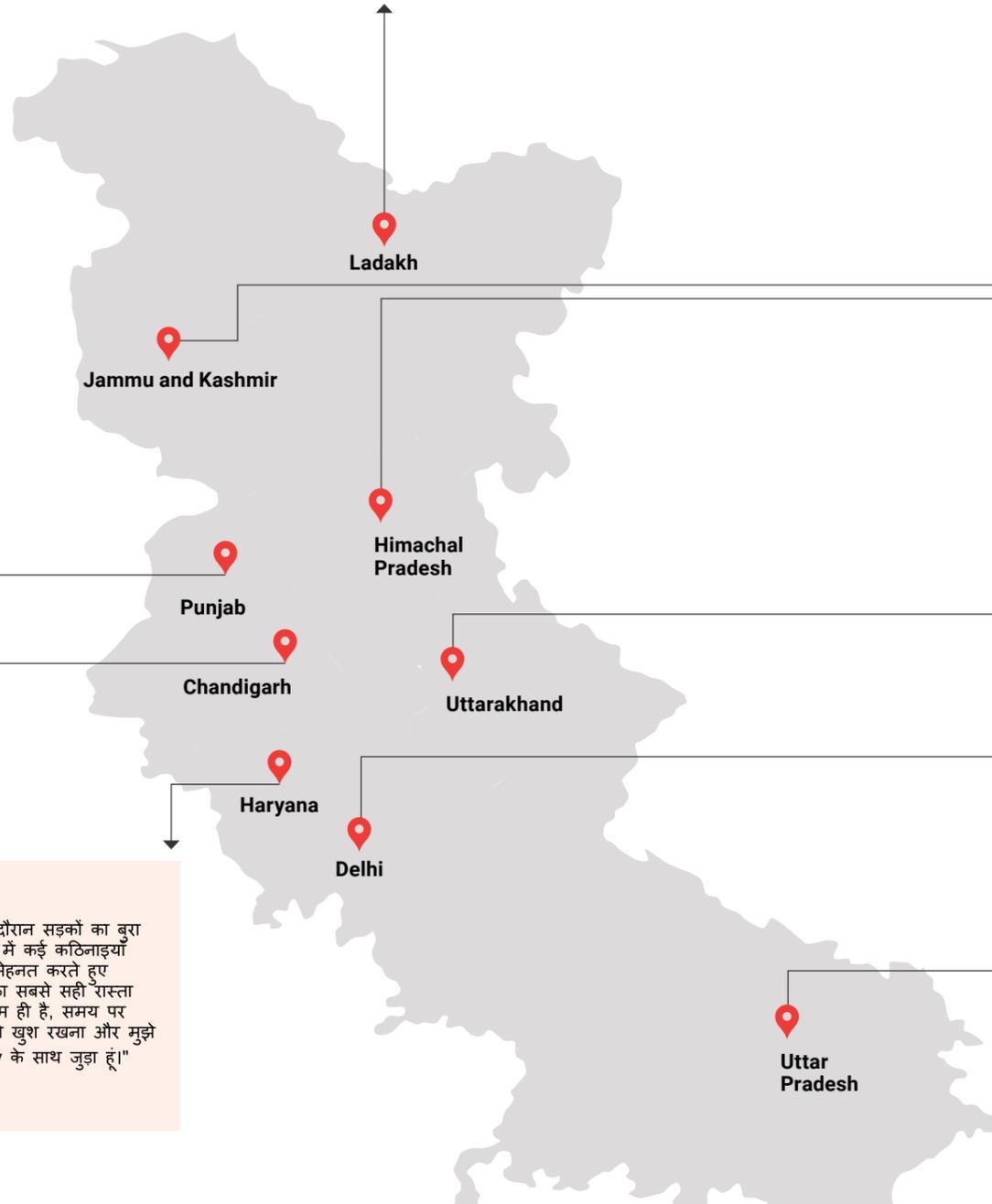
ده میں Delhivery شامل ہونے سے پہلے، میں مختلف شہروں میں کام کر کے پیسے کما سکتا تھا۔ لیکن جب سے میں نے یہاں کام کرنا شروع کیا ہے، میں اپنے خاندان کی کفالت اور اپنے خاندان کے ساتھ خوشگوار زندگی گزارنے کے لیے کافی کما رہا ہوں۔"

Ravi Singh



میں Delhivery کی مدد سے اپنی اور اپنے परिवार की ضرورتों को पूरा करने में सक्षम हो पाया हूँ। मुझे नियमित आमदनी का जरिया मिल गया है, जिससे मैं शादी करने, खुद का वाहन खरीदने और अपने बच्चों की अच्छी परवरिश के लिए ज़रूरी पैसे जोड़ पाया।"

Amir Khan



मुझे सबसे अधिक खुशी ग्राहकों के दरवाजे तक खुशियाँ पहुँचा कर और यह ध्यान रख कर मिलती है कि उन्हें इसके लिए इंतजार ना करना पड़े। सचमुच, ग्राहकों के चेहरे पर मुस्कान देखकर मुझे आगे बढ़ने की नई ऊर्जा मिल जाती है।"

Lalit Kumar



दिल्ली में हाल में आई बाढ़ के दौरान प्रभावित क्षेत्रों में मोटरसाइकिल का जाना मना था। इसलिए मैंने पैदल चल कर पैकेट पहुँचाने का निर्णय लिया। मैंने मन में ठान लिया था कि ग्राहकों को डिलीवरी में कोई दिक्कत नहीं होने दूंगा।"

Abdul Samad



It's been three years at Delhivery, and I still have the same eagerness to learn that I had on day one. And delivering shipments with unwavering dedication is equally important."

Sandeep



अंबाला में आई बाढ़ के दौरान सड़कों का बुरा हाल हो गया। मेरे रास्ते में कई कठिनाइयाँ आईं। लेकिन मैंने कड़ी मेहनत करते हुए शिपमेंट डिलीवर करने का सबसे सही रास्ता ढूँढ़ ही लिया। हमारा काम ही है, समय पर डिलीवरी देकर ग्राहकों को खुश रखना और मुझे गर्व है कि मैं Delhivery के साथ जुड़ा हूँ।"

Raman



हम अक्सर यह नहीं कह सकते कि क्या गलत होने की संभावना है। लेकिन पूरी तैयारी रहे तो हमारा काम आसान करने में काफी मदद मिलती है। इसलिए हमारे पास FE ऐप जैसी उपयोगी चीज है, जो सभी के लिए उपलब्ध है और मैं जहां तक मुमकिन हो इसका अच्छे से अच्छे तरीके से उपयोग करता हूँ।"

Karunesh

Note: Map not to scale.

Pan-India, every day (contd.)



पिछले पांच वर्षों से पूरे अनुशासन के साथ और नियमित रूप से काम कर रहा हूँ जिससे मुझे बहुत मदद मिली है। मेरे दिन की शुरुआत सुबह 7:30 बजे डिस्पैच सेंटर से होती है, जहाँ मैं शिपमेंट का शेड्यूल बनाता हूँ। इसके बाद प्रतिदिन 40- 50 km का सेफर कर 60 से अधिक पैकेट पहुँचाता हूँ।"

K Venket Rao



Delhivery की सबसे अच्छी बात यह है कि इसमें हमारी मेहनत का फल मिलता है। इसलिए मुझे और भी मेहनत से काम करने की इच्छा होती है। आपके काम की तारीफ़ हो इससे बहुत संतुष्टि मिलती है।"

Randhir Kumar



पहाडमा जिन्दगी त्यति सजिलो हुँदैन। त्यसैले, राइडरका रूपमा हामी पक्कै पनि कैयौं चुनौतीहरूको सामना गर्दछौं। म मेरा एटिएल र टिएलका मार्गदर्शनमा भर पर्दछु। उनीहरू धेरै अनुभवी हुनुका साथै सहयोग गर्नमा पनि उत्तिकै अघि रहन्छन् र मददतका लागि सदैव तत्पर रहन्छन्। यो कुराले मलाई निर्धक्क बनाउँछ।"

Sakita Rai



In Dirang, there are very few employment opportunities. I joined Delhivery a year ago, and I feel proud that I earn a livelihood, which has made me financially independent."

Pema Yangjom



প্রযুক্তিয়ে সকলোকে উপকৃত কৰিব লাগে আৰু ইয়াক ব্যৱহাৰ কৰাত সদায় কঠিন হোৱাৰ প্ৰয়োজন নাই। মই সুখী যে FE এপৰ ক্ষেত্ৰত এই কথা সঁচা। প্ৰথম কথা, মাটিত ই অতি সহায়ক। তাৰ ওপৰত ইয়াক ব্যৱহাৰ কৰাটো সহজ। ই মোৰ কামক অতি আৰামদায়ক কৰি তোলে।"

Bijen Rautia



Etu daily sessions tae, Moi khan ekjun ekjun kae kobo etu challenges moi khan faced khorae aru kinika moi khan overcame khori sha. Aru moi khan toh lessons bi share khorae moi khan ki learn khori sha, etu kamae alak manu khan kae etu same mistakes nokori bolae. Moi shiki sha moi khan la peers para aru etu toh moi kae helped khori sha moi la kam effectively khori bolae."

Twinkle Rai



समय पर कदम उठाने से बहुत फर्क पड़ता है। मेरा रास्ता बड़े घने जंगल से गुजरता है, जहाँ जंगली जानवरों के सामने आने का खतरा रहता है। इसलिए हमारे ऑफिस-इन-वार्ज ने फॉरेस्ट रेंजर्स से यह मदद करने को कहा कि हम जब भी डिलीवरी के लिए जाएं हमें सुरक्षित जंगल पार करा दें। वे यह मदद करने के लिए मान गए।"

Rahul Das Janghel



আমি এক মাস আগে Delhiveryতে যোগ দিয়েছি। আমি এখনও শিখছি এবং মাঠে যা ঘটে তা শোষণ করছি। পরিষেবা শিল্প হল আমাদের গ্রাহকদের চমৎকার পরিষেবা প্রদানের বিষয়ে, এবং আমি আমার সেবাটা দিতে পেরে উত্তেজিত!"

Priyanka Dhali



I joined Delhivery in 2020 as a service executive and was later promoted to Team Lead. Working in this job has improved my communication skills and my ability to manage people. I want to continue learning from my seniors."

Mamta Yulembam



Bun na ki nongthied jong nga ki dei ki nongrep, kibym da don ka pisa ha kti. Kim pat ju tip ne iohsngew shaphang ki jingsiew ha ka online/UPI payment. Te haba nga pynsngewthuh ia ki shaphang ka jingpyndonkam da kaba siew online, ki nongthied ki iakren bniyah bha bad nga. Ki burom ia ka kam ba nga trei, bad ki ai mynsiem ruh ba ngan trei kham bha."

Durga Sayoo



ଯେତେବେଳେ ମୁଁ ଶେଷ ମାଲ୍ ଆରୋହୀ ଭାବରେ Delhivery ରେ ଯୋଗ ଦେଲି, ପ୍ରଥମ କିଛି ଦିନର କାର୍ଯ୍ୟ ଚ୍ୟାଲେଞ୍ଜ ଥିଲା । ବିଭିନ୍ନ ପ୍ରକ୍ରିୟାକୁ ବୁଝିବା ପାଇଁ କିଛି ସମୟ ଲାଗିଥିଲା । କିନ୍ତୁ ଏହା କେବଳ ଆପଣଙ୍କ ଭୁଲକୁ ଶିଖିବା ଏବଂ ହାର ନ ମାନିବା ଉପରେ ନିର୍ଭର କରେ । ମୁଁ ମୋ କାମକୁ ଉପଭୋଗ କରେ ଏବଂ ମୁଁ ଜଣେ Delhivery ଏକେଜ୍ ହୋଇଥିବାରୁ ଗର୍ବିତ ।"

Liza Barik



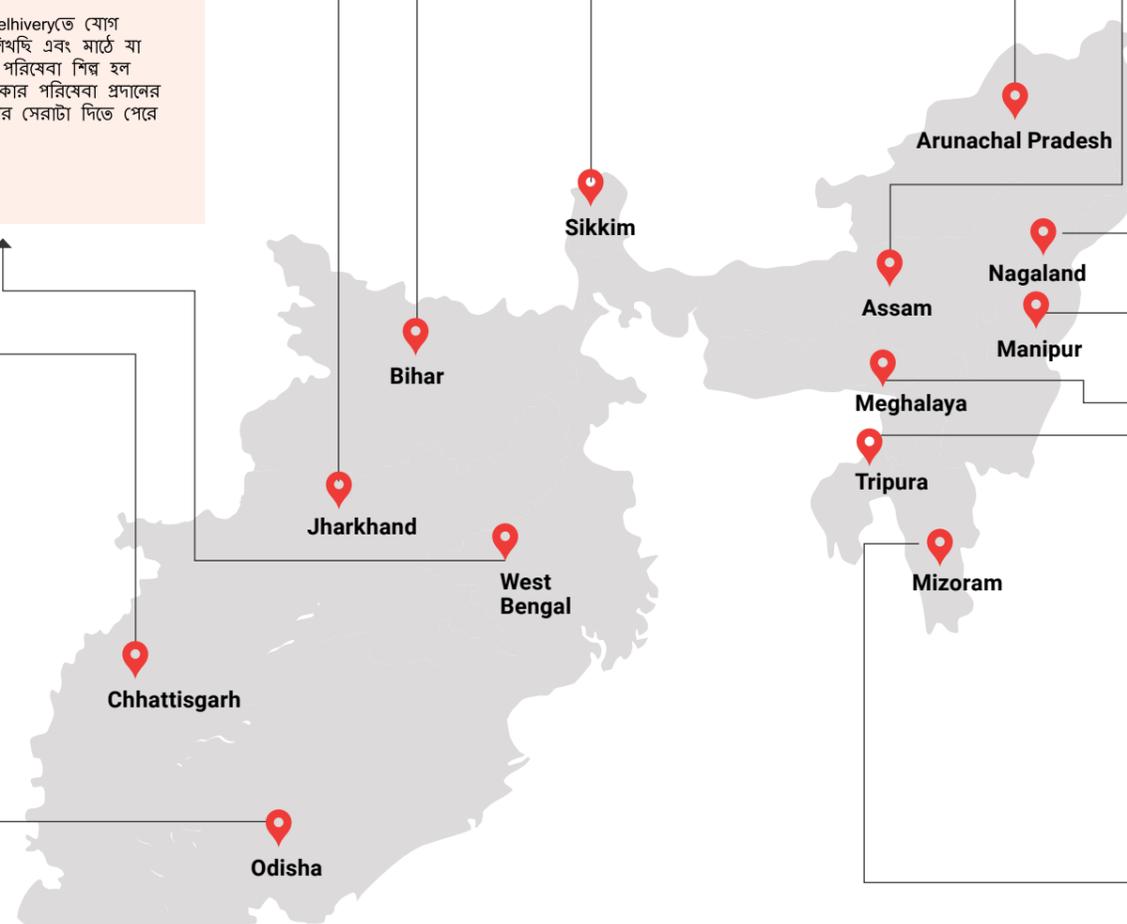
I joined the Aizawl DC in 2016 and was transferred to another DC in 2018 due to a shortage of manpower. I worked with ground operations and supported them until their operations were streamlined. I was promoted to ATL in the same year."

R Malsawmsangi



Some interior areas on my route are considered high-risk. My customers would come with sharp knives and big choppers to collect their shipments. I was initially scared, but once I realised they didn't mean any harm, I slowly overcame my fear."

Priyalal Sinha



Note: Map not to scale.

Pan-India, every day (contd.)



मेरा मानना है कि, मैं कोई भी काम करूं, उसमें मुझे सम्मान मिलना चाहिए। तभी हम पूरी कुशलता के साथ बेहतर काम कर पाते हैं। और यह सम्मान अपनेपन से आता है। मुझे ऐसा लगता है, जैसे मैं अपनी टीम का अहम हिस्सा हूं, हम एक साथ सीखते हैं, हंसते हैं और आगे बढ़ते हैं।"

Govind Narayan Tardiya



ताजेतरमां आवेला बिपरजोय यकवाते मुंढामां विनाश वेर्यो हतो, ज्यां हुं कामगरीने टेडी आपवा गयो हतो. अेकधारे वरसाए आवतो होवाथी ग्राहकेनी डिलिवरी पर असर पडी हती, परेतु अमे असर घटाडवा माटे आ आइतमां पण काम कर्युं रेछनकेट अने योमासानी थेलीयो, तेमज लोचन अने रहेठाए जेवा Delhivery द्वारा पूरा पाडवामां आवेल जरुरी साधनीये परेपर अमने अमारा श्रेष्ठ प्रयासो करवामां मएड करी."

Bhupatsinh Rathod



Delhivery stands with us no matter what. This trust has been the foundation of my five-year journey with Delhivery. All employees are treated equally, including on-roll and off-roll."

Kaushik Subhashbhai Patel



सुरक्षा, पहचान और प्रगति – Delhivery ने मुझे यह सब और इससे भी अधिक दिया है। और Delhivery की प्रोत्साहन राशियोजना का एक विशेष उल्लेख करना चाहता हूँ जिससे मुझे अधिक शिपमेंट डिलीवरी करके अधिक कमाई करने का मौका मिलता है। Delhivery में काम करने से मुझे एक सुकून का एहसास होता है।"

Ananta Pachare



Proactiveness and resilience are great qualities to have in this job. Their importance only grows when we are faced with challenges. Another thing that helps is open communication. I feel most issues can be fixed with these three things."

Vikram Dattaram Rokde

Note: Map not to scale.

Transforming logistics through technology

500+ skilled technology and engineering professionals drive the design, development and implementation of cutting-edge hardware and software solutions that deliver operational excellence, efficiency and a better customer experience, cementing our leadership in the market.



At Delhivery, technology and design is at the core of all operations including HR. All our staffing processes from sourcing to payouts are designed to provide accuracy, transparency and speed at scale. We provide 100% transparency to more than 92,000 workers via our self-built systems and applications. A significant portion of our capacity addition happens via digital channels aided by technology at every step. Our integrated systems enable interested people to self-onboard themselves and start earning the same day."

Piyush Sarawagi
Principal Product Manager



Customers' data and their trust is paramount to Delhivery, and therefore, Cyber Security and Data Protection is at the core of our operations. We take several organisational and technical measures to not only cover applications, data, cloud, and network security but also ensure the security of the third parties we work with. We continue to strengthen our security practices considering different applicable compliances."

Charu Sharma
Senior Manager – Cyber Security & Compliance



After presenting three conference papers last year, the OR team has applied for three more conference papers and one journal paper this year. Through innovation, the team helps make network decisions based on OR models, such as path optimisation, vehicle routing and scheduling. The models are robust enough to accommodate external changes and are deployed swiftly through automated configuration. It is wonderful to see these large-scale OR applications being made possible."

Kausik Tamuli
Senior Director – Operations Research



We launched the Delhivery App that provides a mobile app-based courier solution for consumers' domestic and international shipping needs. Available on both Android and iOS platforms, the app leverages our extensive and swift pan-India network to drive customer convenience. It's packed with features like same-day doorstep pick-up and doorstep delivery, real-time tracking, a single window visibility of all packages being delivered through Delhivery, and customer support. Over four million users have benefitted from this app already."

Pragya Maheshwari
Principal Product Manager



Delhivery employs route optimisation that takes into account various factors such as distance, traffic conditions, delivery time windows and vehicle capacity. This helps our fleet follow the most efficient routes, reducing fuel consumption and delivery time. Delhivery's vehicles are equipped with GPS devices and telematics systems. This enables real-time tracking of the vehicles' locations, ensuring that they are on the right track and adhering to their schedules. In all, at Delhivery, we rely heavily on technology to optimise our Fleet services."

Harsh Bansal
Director – Fleet Management



At Delhivery, technology is about optimising the delivery network with proper planning, real-time tracking and automated sorting that ensures timely and accurate deliveries.

We offer various tech products and applications such as delivery tracking systems that track shipments in real-time, Delhivery's direct doorstep pickup, customer support and communication channels to raise queries, and more."

Ashi Yadav
Data Engineer – Batch ETL



The OS1 platform opens the logistics sector to new players and allows established players to innovate faster. It moves Delhivery from being mostly a logistics company to being a tech leader. When people come together, amazing things happen, and that's what we saw on this project."

Samuel Schneider
Senior Developer – Core OS



Last year, we were granted two patents: Addfix and UAID, that showcase our capability to comprehend Indian addresses. With these we can localise addresses and identify similarities between differently written addresses, helping us overcome the challenge of unstructured addresses in India.

Additionally, our BFSI clients extensively utilise these data SaaS services for address validation and supporting their credit and collection verticals."

Kalpana Razdan
Principal Data Product Manager



We have launched Delhivery One to simplify shipping for small businesses. Merchants can now instantly sign up and start shipping across India and the globe. Additionally, they have access to value-added services such as post-purchase communication, one-click integration with sales channels and advanced NDR management. Delhivery One makes it easier and more efficient for SMEs to manage their logistics operations and helps them grow their businesses."

Pawan Sharma
Principal Product Manager



We began developing an Unmanned Aerial Vehicle (UAV) in collaboration with IIT Kanpur in 2019. In 2022, we conducted two trials in Madhya Pradesh and Telangana to check the UAV performance and long-range communication connectivity. We have now developed an indigenous autonomous subscale drone on a newer platform in Goa with no external dependencies. The subscale will be representative of the final product in 1:1 scale to be used for upcoming pilot trials and commercial deliveries."

Gaurav Singh
Manager – Innovation

Board of Directors



M

Deepak Kapoor
Chairperson and
Non-Executive Independent Director



C

M

M

Romesh Sobti
Non-Executive Independent Director



Donald Francis Colleran **
Non-Executive Director



M

Sahil Barua
Managing Director and
Chief Executive Officer



C

C

Saugata Gupta
Non-Executive Independent Director



M

M

C

Srivatsan Rajan
Non-Executive Independent Director



M

Sandeep Kumar Barasia
Executive Director and
Chief Business Officer



M

M

Kapil Bharati
Executive Director and
Chief Technology Officer



M

C

Aruna Sundararajan
Non-Executive Independent Director



Anindya Ghose*
Non-Executive Independent Director

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- CSR & Sustainability Committee
- Risk Management Committee
- M Member
- C Chairperson

*appointed w.e.f. August 04, 2023

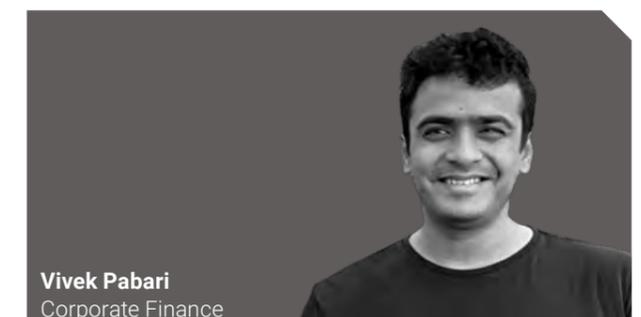
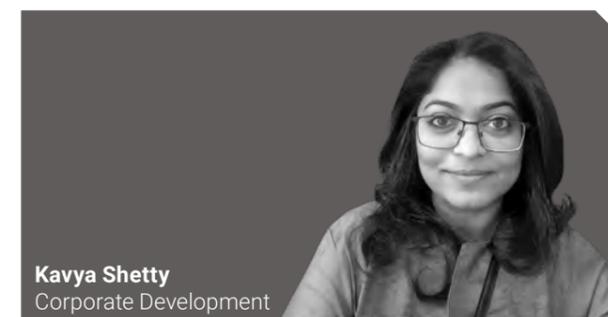
**Director retiring by rotation at the ensuing AGM and not seeking re-appointment

Management team

Senior leadership



Business leadership

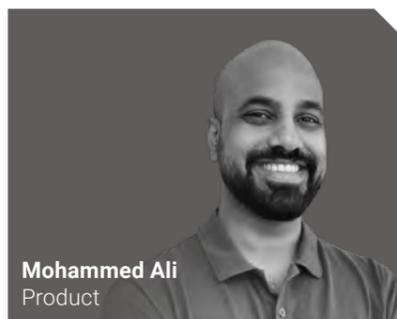


Management team (contd.)

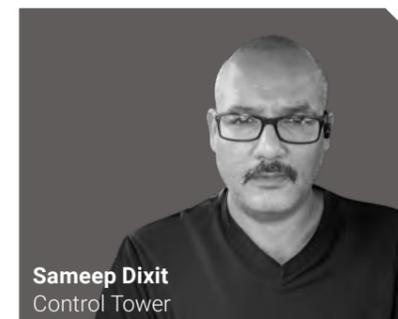
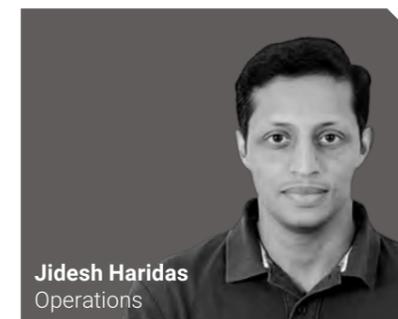
Business leadership



Technology leadership



Operations leadership



Letter to the shareholders



We firmly believe that Indian logistics is in the midst of a fundamental transformation, in which we are poised to play a defining role. We are proud to be stewards of your trust and capital in this exciting journey."

Dear shareholders,

One of the defining milestones of our journey as a young Company has been our transition to the public markets. Following our listing last year, we have had the opportunity to welcome a large base of institutional and individual shareholders. We firmly believe that Indian logistics is in the midst of a fundamental transformation, in which we are poised to play a defining role. We are proud to be stewards of your trust and capital in this exciting journey.

Laying the foundations

Logistics is an industry where disproportionate economic value accrues to companies (and, by extension, to their customers) that operate at disproportionate scale, while relentlessly seeking efficiency and building resilient technology systems and operational processes that provide them with the capability to manage rapid variations in demand.

We believe our integrated network operations and systems combined with our distinctive, asset-light mesh network model give us unique

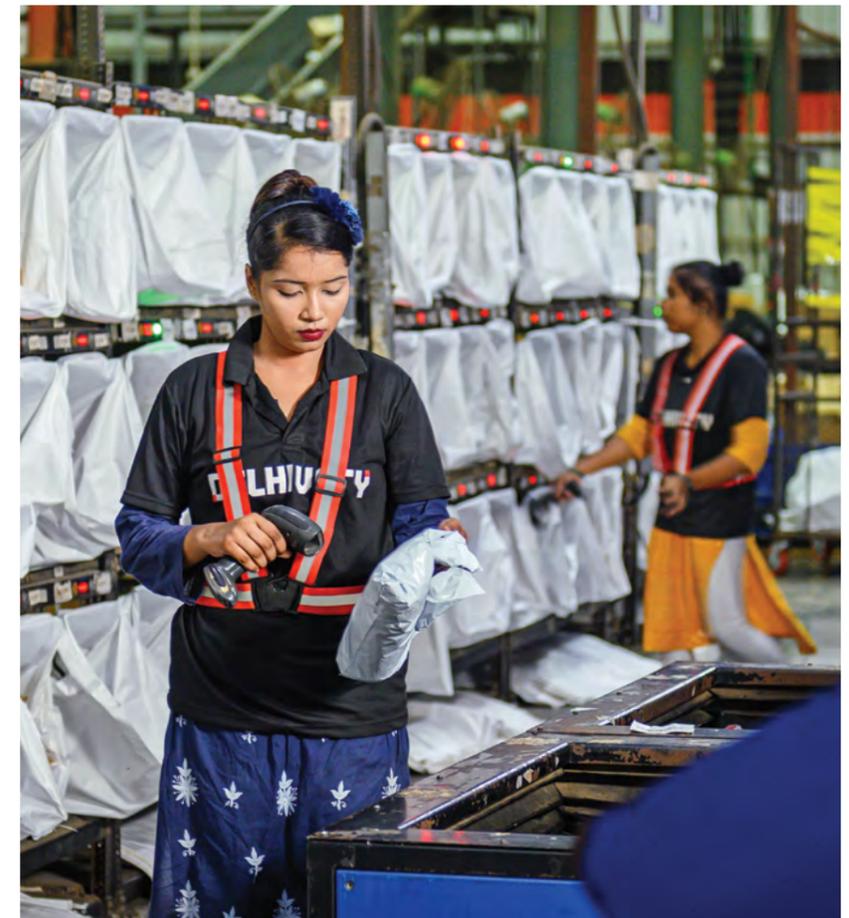
efficiency, reliability, and speed advantages with customers transacting in a fragmented, inefficient, and underserved market. Capitalising on this opportunity requires us to continuously invest our energy, time, and capital in developing cutting-edge engineering, automation, and technology capabilities and building world-class infrastructure.

91%+

Service reliability across our entire network by the end of FY23

While some of these investments may not be understood by parameters common to traditional or even newer participants in the industry, these are critical to our continued success and to the long-term value we will create for our customers, employees, partners and shareholders. The principles by which we administer daily operations and determine our long-term investment plans are laid out below for your reference:

- We believe there is significant scope for all businesses in India to reduce the direct and indirect costs of their supply chain operations. Accordingly, our aim is not the immediate maximisation of near-term capacity utilisation but to be relentlessly focused on finding efficiency gains and sharing a meaningful proportion of this with our customers in ways that create value for our stakeholders as well as theirs.
- At this transitional stage of the Indian economy, we believe that companies with a growth mindset that boldly invest in creating large-scale infrastructure and a network capable of meeting a wide variety of customer requirements will be rewarded with long-term market leadership. This may occasionally require us to alter our investment plans in ways that may not fit with the near-term expectations of the public markets.
- We will continue to make highly forward-looking investments in the areas of engineering, machine



learning, artificial intelligence and robotics. Our technology investments are critical drivers of better customer experience and higher network reliability and speed. Automation will be key to ensuring a healthy, safe operating environment for our employees, thereby making them more productive.

- Our employees and partners are the backbone of our operations. Our performance and compensation philosophies are designed to provide our employees with a sense of ownership. We intend to continue to run a rewarding stock ownership plan to attract and retain high quality talent across all levels of the Company for the long-term.
- We will continue to maintain a clear focus on our long-term objectives while dealing with near-term macroeconomic, industry or company-specific disruptions.

Our successful investments through the Covid-19 pandemic and in economically turbulent recent years have given us the confidence to maintain a consistent long-term focus in our decision-making.

- We will continue to communicate regularly and transparently with shareholders, to the extent allowed by our competitive positioning, on matters such as our financial performance, the underlying state of the markets we service and our future investment plans. Our aim is to establish a track record of providing coherent, consistent and reliable information to our shareholders, to enable you to make an informed evaluation of the quality of our management and strategy.

With this in mind, we would like to share a short update about the performance of our business in FY23.

Letter to the shareholders (contd.)

FY23 highlights

- Our principal focus in FY23 was to successfully integrate Delhivery and Spoton's part truckload operations. While we faced operational challenges owing to the integration in Q1 FY23, we are glad to report that customer, operational and network integration were comprehensively concluded by the end of FY23.
- Our Express Parcel service continued to deliver robust growth with a 14% increase in shipment volumes compared to the previous year. Notably, after completing our one billionth delivery in FY22, we completed delivery of over two billion shipments since our inception in FY23.
- As operations have stabilised post integration, we have seen consistent improvement in network speed, service reliability and quality. By the end of FY23, overall network speed improved to 3.6 days, on average with 91%+ service reliability across our entire network, thereby cementing our position as the service partner of choice for our clients across industries.
- We made substantial investments in building strategic infrastructure and deploying cutting-edge software, data products, industrial automation, and robotics systems across our network.

- We have begun the shift to new, state-of-the-art automated terminals at Bhiwandi and Bengaluru and have expanded sites at key locations such as Chennai, Hyderabad, Noida, Kanpur, Indore and Nagpur along with the expansion of automated parcel sortation capacity to 5.4 million packages per day. In addition, trials with Automated Guided Vehicles (AGVs) are underway at key fulfilment centres and gateways to reduce manual handling and effort.

5.4 Mn

Automated sortation capacity as of end of FY23

- We continued to invest aggressively in upgrading our trucking fleet. In FY23, we inducted 387 new tractors into our fleet, taking the total count to 562 by the end of the year. We have also begun experiments with tractor-trains on select routes and expect to see deployment in late FY24.
- We launched Delhivery One in FY23, which has found adoption from SME and D2C customers. Delhivery One enables our customers to directly access all of our logistics services and data solutions through a single interface.
- Our data sciences team was awarded two patents, Addfix and UAID, both of which are core components of our location and address identification stack.
- A key financial measure of our business is incremental margin, or the margin we make on every incremental rupee of revenue. High incremental margins are crucial for us to confidently invest in critical infrastructure. We are pleased to report that we continued to see significant operating leverage in the transportation business as reflected by incremental gross margins of >50% and sequentially improving margins throughout FY23.
- We continued to acquire a wider set of customers and integrate operations more effectively across our newer lines of business: Supply Chain, Truckload and Cross-Border services respectively. Combining these new capabilities with our existing transportation operations is another key pillar of our long-term growth strategy.
- Orion, our Truckload exchange, apart from servicing several hundred external customers and our Supply Chain services division, is now the single source



Delhivery One enables our customers to directly access all of our logistics services and data solutions through a single interface."

our set of customers. We seek to grow intra-city as well as inter-city delivery volumes on the ONDC platform in FY24. The integration of our Cross-border ocean and air-freight solutions with our domestic warehousing, Part Truckload and Truckload services presents an added opportunity to service our domestic customers' international supply chain requirements.

We continue to work with banking and non-banking financial institutions to identify ways for them to provide lower cost financing to our clients, their customers and our partners, thereby reducing their indirect supply chain costs. We believe we have immense value creation opportunities through our data solutions and through the OS1 platform and will continue to invest in these in FY24 and beyond.

The challenge for us as a team is to maintain unwavering execution excellence, continuing to do what we already do well a little better every day, while simultaneously capitalising on new initiatives boldly. As we said in FY23, we look at our journey so far with pride and gratitude, and at the road ahead with optimism and confidence. We remain deeply grateful to our customers for giving us the opportunity to service them, to the incredibly passionate members of our team and their families and to you, our valued shareholders, for the trust you continue to place in us.

Deepak Kapoor
Chairman and
Non-Executive Independent Director

Sahil Barua, Sandeep Barasia, and Kapil Bharati
Executive Directors

of capacity for all of Delhivery's internal contracted and on-demand intercity trucking demand. This has delivered savings ranging from 5% to 30% in trucking costs across lanes and truck types.

- Our strategic investments in Vinculum and Algorhythm have expanded our value proposition to e-commerce and enterprise customers beyond pure logistics services. As an instance, we maintained our leadership in the key growth segment of D2C e-commerce (>75% growth in FY23) through a combination of acquired order management solutions coupled with our best-in-class warehousing and transportation capabilities.

- We launched our National Entrance Test as part of the Delhivery Skill Development Programme (SDP), designed to identify and train young job-seekers from across India to

build a career in logistics. Over 6,000 candidates participated in the first test with over 100 having been absorbed into our operations already. We are also particularly proud of our progress in bringing in more women into frontline operational roles with over 2,973 women now employed across Delhivery operations.

Looking ahead: FY24 and beyond

While we are proud of our growth so far, the fact remains that Delhivery, though the largest among its peers, is a small player relative to the size of the logistics industry. Our teams continue to remain focused on designing new operational and technology interventions to deliver the highest speed and reliability at the lowest costs to our customers and to continue to gain market share across all of our existing lines of business.

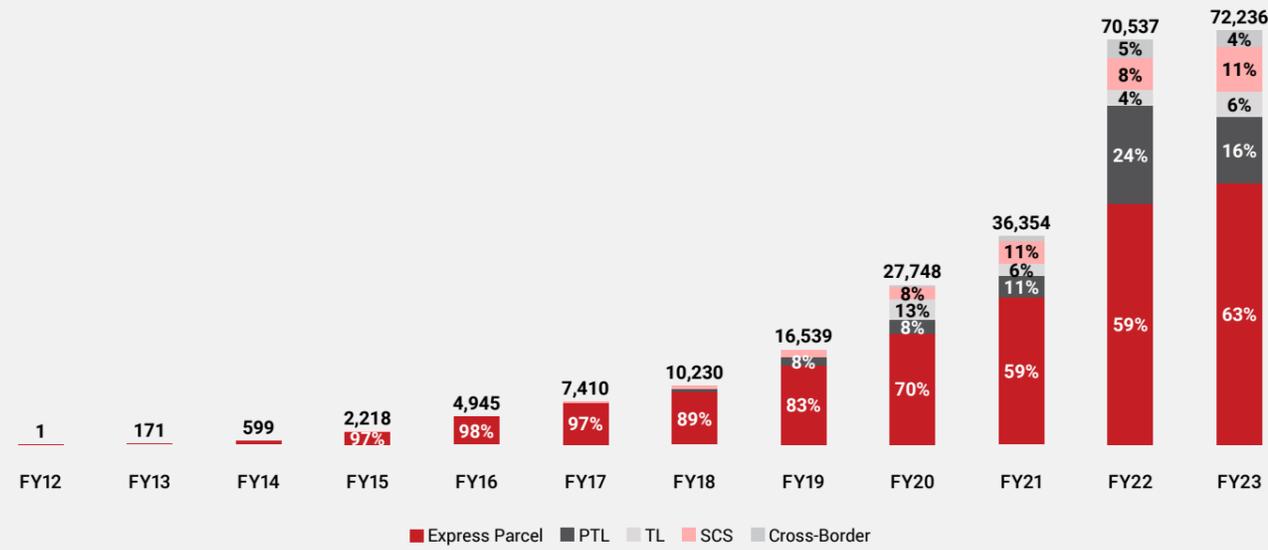
We also continue to explore new opportunities to deliver value to current customers and partners and to expand



Performance trends

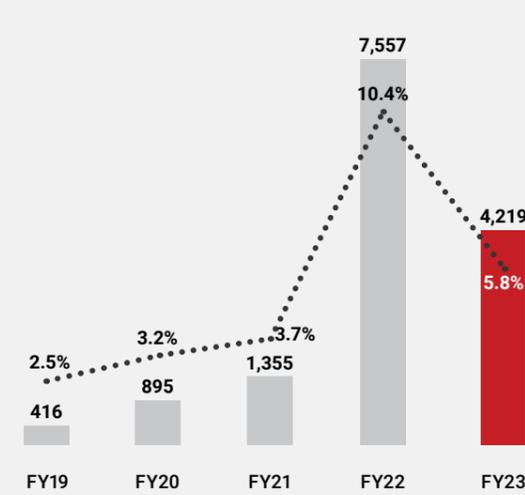
Revenue from services*

(₹ Mn)

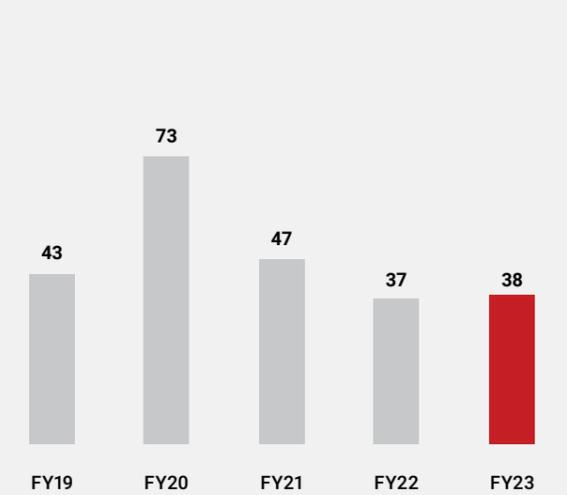


Service EBITDA (₹ Mn)

Service EBITDA margin (%)

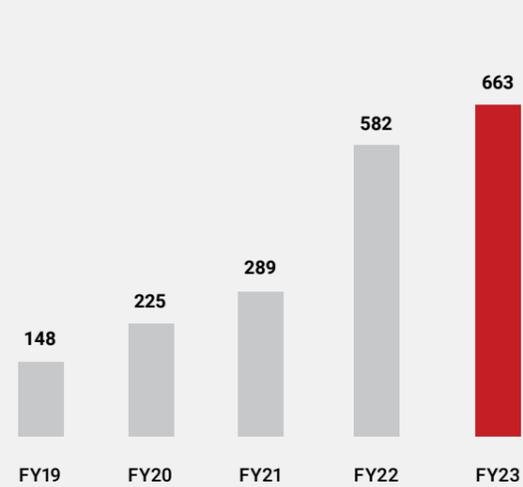


Net working capital days



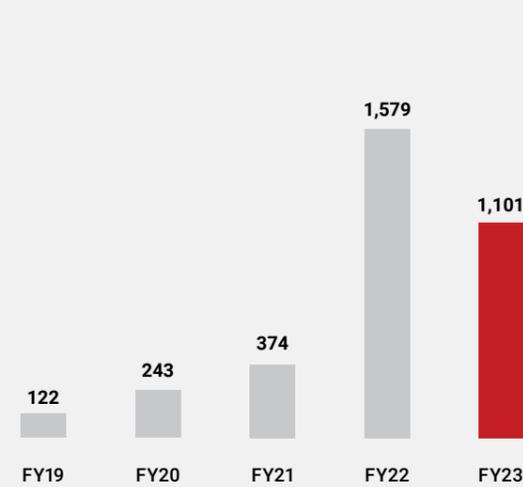
Express Parcel shipment volume

(Mn)



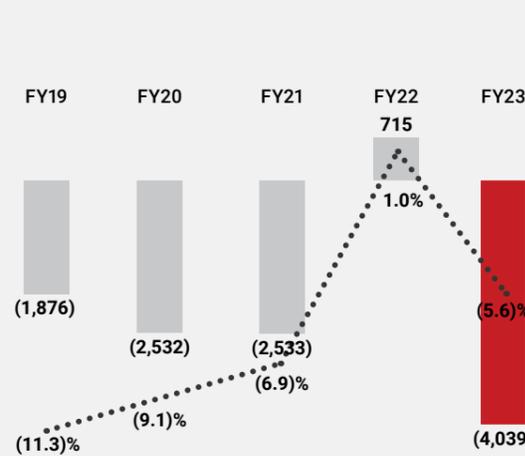
Part Truckload tonnage*

(*'000 Tonnes)



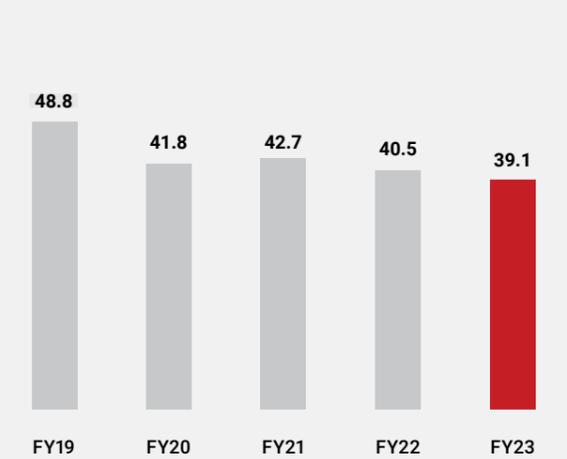
Adjusted EBITDA (₹ Mn)

Adjusted EBITDA Margin (%)



Contribution of top five customers in the overall business

(%)



*FY22 figures are on proforma basis

Mid Mile - Cultivating a culture of excellence

Our relentless commitment to continuous improvement, people development and capability-building has nurtured a robust performance culture. As a result, we achieved a remarkable throughput at our gateways—surpassing our competitors thereby setting us apart in the logistics industry.



When I joined Delhivery 3.5 years ago, I had no logistics experience. I'm fortunate that Delhivery gave me this wonderful opportunity to learn and grow in the logistics industry. It has been a great learning experience, working in this dynamic environment with such supportive seniors and colleagues. I have also been given the opportunity to train the SDP candidates."

Pawan Kumar
Manager – Floor, Tauru



I have dedicated 11.4 years to Delhivery. I started as a Field Executive and gradually advanced to my current role as a manager in Gateway (GW) Operations. Throughout my journey, I have gained expertise across various departments, including Last Mile, First Mile B2C, First Mile B2B, SC Ops, RPC Ops and GW Ops. What I love about Delhivery is the work flexibility, favourable working environment and effective management. Notably, even during challenging times, Delhivery stands by its employees."

Ranjay Kumar
Manager – Hub Operations, Kolkata



For the last 2 years and 8 months, I have worked in every section of the hub. Automation has made working fun. Since the usage of sorters has started in the hub, both B2B and B2C shipments move much faster than before and our manual movement has decreased."

Jaydev Thakare
Process Executive, Greater Mumbai



Joining as an operations manager in Hyderabad in 2020, I was amazed at the emphasis given to process excellence, speed and high-quality service delivery. The Company's commitment to providing ample resources for skill development has empowered me to streamline and optimise our operations processes further. The positive reinforcement from my superiors and the recent promotion serve as testaments to the impact of our efforts in enhancing customer satisfaction and overall efficiency. I'm proud to be a part of a dynamic organisation that values innovation and values its employees' growth."

Jai Krishana Sharma
Senior Manager, Hyderabad



ESG at Delhivery

On the path of transparency

FY23 was a milestone year for Delhivery, as we prepared to release our inaugural Business Responsibility and Sustainability Report (BRSR), reinforcing our commitment to transparency in disclosing our performance across ESG domains. This report shows our dedication towards responsible practices and sustainable growth.



Environment

1.5 MW

Solar power capacity installed

562

Large form-factor vehicles deployed*

1,800+

CNG/EV vehicles deployed*

730,740 kWh

Solar energy generated



Social

3,519

Total women employees*

6,059

Total Skills Development Programme (SDP) registrations from 650+ cities

₹10 Mn

Contributed to India's Olympic Gold Quest (France 2024)



Governance

6

Independent Directors (more than 50% of the board)

43%

Inputs sourced sustainably#

*As of March 31, 2023

#Based on the responses received from vendors catering to the top 75% of the Company's spends and their percentage contribution is calculated out of the total input value



Nurturing a greener future

Promising eco-friendly delivery

We continue to seek ways to minimise the environmental impact of our logistics operations.

We have significantly reduced our logistics intensity from 301.3 gCO₂e/t-km in FY22 to 229.1 gCO₂e/t-km in FY23.

Deploying larger, fuel-efficient trucks is core to this (by the end of FY23, more than 49% of our total load, measured in tonne-km, was moved through large form-factor trucks compared to only 16% at the end of FY22).

We have extended our carbon emissions baseline to cover Scope 3 emissions as well.

DELHIVERY

Tracking our progress

Logistics intensity, measured in gCO₂e/t-km of materials transported, stands as a widely recognised KPI and a globally accepted carbon intensity measure within the logistics industry. It facilitates benchmarking of carbon emissions both internally over time and externally across various companies. In reporting our logistics intensity, we diligently account for the entire Well-to-Wheel (WTW) emissions associated with our logistics activities. This encompasses the emissions from Well-to-Tank (WTT) during fuel extraction, processing and transportation, as well as Tank-to-Wheel (TTW) emissions emitted while running our vehicles.

Adoption of solar power

We continue to integrate renewable forms of energy into our daily operations to reduce our carbon footprint. In FY23, we generated an impressive 730,740 kWh of electricity through solar power installations at various Delhivery facilities, resulting in a substantial reduction of 517.4 tCO₂e emissions.

Fleet upgradation

During FY23, we exceeded our initial target by introducing 387 additional 43-46 ft tractors, surpassing the expected number of 205. Our total count of 43-46 ft tractors now stands at 562.

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

In addition, we continue to increase the size of our CNG-powered fleet, with over 1,800 vehicles deployed in FY23, and are actively collaborating with OEMs to increase adoption of EVs in our mid-mile and last-mile operations.

*Internal metrics as observed by implementation in Delhivery network



Partnering for progress

In the pursuit of shared goals



Our people Delhivery Skills Development Programme (SDP)

In FY23, we launched the Delhivery Skills Development Programme (SDP), a pioneering initiative designed to provide freshers and first-time job seekers aged between 22 and 32 years with an opportunity to start a career in logistics with Delhivery.

The SDP provides a holistic training experience through four weeks of classroom instruction and on-the-job training conducted across our operational locations. The programme enables candidates to gain a deep understanding of logistics operations. Upon successful completion of the training, candidates are provided with guaranteed job opportunities across the country in our operations teams.

The response to our first SDP batch was overwhelming—among 6,000+ registrations from over 650 cities, 499 promising individuals were selected to undergo the comprehensive training programme.



Week-on-week, this training programme offers a unique opportunity to learn the on-ground processes through a combination of classroom learning and practical experiences. Candidates will gain a comprehensive understanding of the entire shipment life cycle and have hands-on exposure to the different functions, including shipment pickup, processing, connection and final delivery to the customers."

Mitul Gogoi
Manager – Delhivery Academy

Employee development and skilling

The Delhivery Academy enables our employees to develop the knowledge, skills and abilities needed for continued growth and success in their roles. Based on our operational challenges and business goals, all team members must go through different types of training during their tenure.

In FY23, we conducted induction, refresher and upskilling training sessions for 21,798 on-roll and 15,130 off-roll employees.

4,269

Team members were promoted from off-roll to permanent positions post completion of our skilling programmes



They will get to visit various facilities like the first-mile location, service centres, etc. By immersing themselves in these practical experiences, they will gain valuable knowledge about the operational processes of logistics. As part of the training programme, their progress is monitored on a weekly basis to ensure they have a strong grasp of the process we teach."

Chetan M
Trainer – Delhivery Academy

Induction and onboarding

We offer a comprehensive orientation and induction programme to ensure the smooth integration of new hires into Delhivery. The programme is strategically designed to provide new employees with opportunities to connect with leaders and key stakeholders, including the senior leadership team, business unit heads and reporting managers.

Through our Buddy Programme, every new joiner is paired with a buddy who helps them navigate the organisation during their first month at Delhivery. Additionally, we have also started a quarterly onsite induction programme for senior hires in Operations, BD and CX to bring them up to speed and facilitate interactions with key stakeholders.

93%

Of 1,164 new joiners who attended the induction programme reported positive sentiment towards it.

Wellness initiatives

The well-being of our employees has always been a key focus area at Delhivery. As part of our ongoing efforts to prioritise the overall well-being of our employees, we launched multiple initiatives this year across our operational facilities and corporate offices. We are further focusing on enhancing these initiatives, for e.g. developing a well-structured wellness calendar.

Mental wellness/employee assistance programme

We collaborated with our wellness partner, Silver Oak Health, to organise multiple sessions for our employees. It focused on both COVID-related concerns and well-being awareness on varying subjects. Additionally, we introduced in-person awareness sessions in our larger facilities, aimed at fostering the mental health of our workforce. As part of the programme, we run a counselling helpline for our workforce across India. Our employees lean on the counsellors to tackle various personal and professional concerns.

Physical wellness

We offer the facility of a fully equipped gym with professional trainers across our corporate offices in Gurugram, Bengaluru and Goa. We are working towards starting in-person physical wellness sessions for our larger facilities across India.

Partnering for progress (contd.)

Employee engagement

We run regular virtual and physical town halls and all-hands meetings across the organisation to ensure transparent communication from the leadership to all employees; provide avenues for our employees to voice their concerns; and ask questions to the leadership team about strategy, business, service levels and culture.

Employee survey

To gain deeper insights into the sentiments and perspectives of our employees, we joined hands with Great Place to Work (GPTW) and initiated the Annual Employee Engagement Survey in June 2022. This extensive survey was thoughtfully designed and was made accessible in 14 languages to cater to the diverse language preferences of our workforce, including on-roll and off-roll workforce.

19,086

Employees participated in the survey

86%

Reported positive sentiment

Diversity and inclusion

As of FY23, we have increased our overall headcount of women employees by 14.4% to 3,519 women across functions and positions. We identified specific roles that presented us with opportunities to enhance this number in functions like scanning, sorting, problem-solving and document processing across 38 major facilities. Through these concerted efforts, the ratio of women in our front-line teams at these facilities stood at 15% at the end of FY23 v/s 6.8% at the start of Q3 FY23.

14.4%

Increase in overall women headcount

Health, Safety, and Environment Policy

We have updated our Health and Safety Policy (now known as Health, Safety and Environment Policy) to include principles of sustainable development for minimising our overall environmental impact. All our team members are given relevant training on topics such as safe driving, safe loading and unloading, safe operation of automation equipment and fire safety.

Policy awareness

We prioritise the importance of governance and adherence to ethical standards. All the teams received mandatory governance training to ensure they are well-informed and aligned with our core principles. This comprehensive training covered key policies, including the Code of Conduct, Prevention of Sexual Harassment (POSH), ISO 27001, phishing attacks, data privacy, anti-corruption, whistle-blowing and insider trading.

Additionally, we have a zero-tolerance stance towards sexual harassment, and multiple initiatives have been undertaken to increase awareness in this regard. The Internal Complaints Committee (ICC) was reconstituted to ensure adequate representation across regions, business units and gender. The Anti-Sexual Harassment Policy and e-module is a mandatory part of our orientation programme for new joiners. Additionally, to build awareness, posters have been put up in several vernacular languages across all our facilities. Any complaints received during the reporting year were handled with utmost seriousness and integrity and closed with the appropriate steps being taken.

Some of the areas that received the overall highest positive sentiment scores were:

Employer Brand (90%) – employees exhibited a strong sense of pride and considered Delhivery as a great place to work

Teamwork (90%) – employees exhibited a high positive sentiment on the culture of teamwork at Delhivery

Performance Management (90%) – employees acknowledged that the performance review mechanism was fair & transparent

Ethics, fraud, discrimination and harassment (89%) and POSH (89%) – employees felt that the Company has a zero tolerance towards unfair practices at the workplace

Diversity, Inclusion & Ethics (88%) – employees acknowledged efforts made in the direction of making Delhivery a more diverse and inclusive workplace

Learning & Development (87%) – observed high positive sentiment from employees on the learning opportunities available at the workplace

Career Opportunities (85%) – employees feel enthused by the growth opportunities available at Delhivery



Investing in community development

Olympic Gold Quest (OGQ), an initiative under the Foundation for Promotion of Sports and Games, is committed to bridging the gap between the best athletes in India and the world by extending them support through training, sports science, coaching, equipment, sports kits, etc. In FY23, OGQ supported 271 athletes across ten Olympic and seven Paralympic sports. We have also committed a total sum of ₹25 million, out of which ₹5 million was contributed in FY22, ₹10 million in FY23, and the remaining ₹10 million will be contributed in FY24, to OGQ in the spirit of national integration at the Paris 2024 Olympics.



Differentiated value for our customers

We focus on the existing and evolving needs of our 27,500+ active customers, with a mission to enable them to operate flexible, reliable and resilient supply chains at the lowest costs. To meet the dynamic needs of our customers, we continuously test and launch new value-added services and capabilities to meet their needs.

We undertake multiple initiatives to be more and more customer-centric, ranging from using social media platforms to educate customers about our offerings to engaging customers in one-on-one meetings. This is reflected in the results of customer satisfaction surveys/feedback.

Our precision in delivering our promises and increased customer focus is demonstrated by our service levels. By the end of FY23, we achieved the highest network service levels of 93% and 91% in PTL and Express Parcel, respectively.

Snapshot of GPTW employee engagement survey: areas that received the highest positive sentiment score*

90% Employer brand	90% Teamwork	90% Performance management	89% Ethics, fraud, discrimination and harassment
89% POSH	88% Diversity, inclusion and ethics	87% Learning and development	85% Career opportunities

*Note: These figures indicate positive sentiment scores on different survey themes.

Partnering for progress (contd.)



Creating shared value for our partners

We have chosen to remain an asset-light business and are focused on creating shared value with our suppliers and partners. Cordial relationships and partnerships have been the foundation of our business since our inception. Our reliance on third-party network

partners, delivery agents, fleet owners and warehouse owners helps minimise our fixed costs, offering us a high operating leverage.

We continue to invest in expanding our presence in selected international

markets and through capital-efficient, partnership-driven models. Our strategic partnerships with FedEx and Aramex have enabled us to expand our reach to 220+ countries and territories.

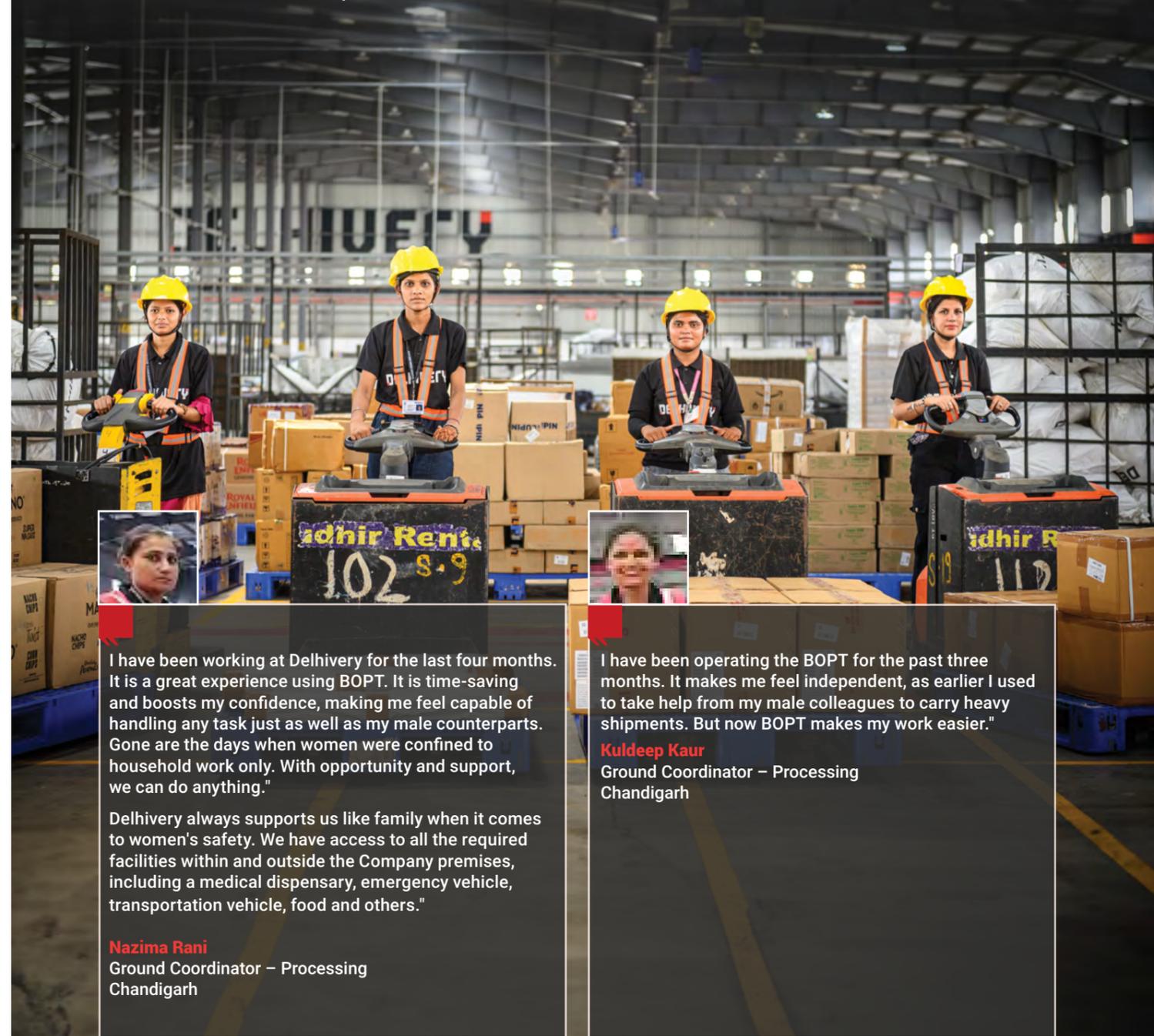
Sustainable supply chain

Our extensive network of partners strictly adheres to established standards and service level expectations throughout the value chain. In FY23, we introduced a Supplier Code of Conduct and a Sustainable Sourcing Policy for our value-chain partners. The policy framework will be implemented from FY24, further reinforcing our commitment to responsible and ethical business practices across our partnerships.



Breaking barriers

At Delhivery, we take pride in making our workplace more diverse and inclusive. We have successfully onboarded several women Battery Operated Pallet Truck (BOPT) operators at the Chandigarh hub. Building on this success, we are expanding our efforts in partnership with pan-IIT Gurukul to train and integrate tribal women from Jharkhand as BOPT operators across Delhi, Karnataka and Maharashtra.



I have been working at Delhivery for the last four months. It is a great experience using BOPT. It is time-saving and boosts my confidence, making me feel capable of handling any task just as well as my male counterparts. Gone are the days when women were confined to household work only. With opportunity and support, we can do anything."

Delhivery always supports us like family when it comes to women's safety. We have access to all the required facilities within and outside the Company premises, including a medical dispensary, emergency vehicle, transportation vehicle, food and others."

Nazima Rani
Ground Coordinator – Processing Chandigarh



I have been operating the BOPT for the past three months. It makes me feel independent, as earlier I used to take help from my male colleagues to carry heavy shipments. But now BOPT makes my work easier."

Kuldeep Kaur
Ground Coordinator – Processing Chandigarh

Creating an inclusive workplace



I joined Delhivery as a Process Executive (PE) in the MAA hub Operations back in 2018. At that time, I was the first female employee in the hub operations. However, I quickly learned the ins and outs of the operations and my efforts were recognised, leading to a promotion as a PST Associate. In this role, I efficiently managed and controlled ageing and lost items.

My passion for handling manpower in hub operations was evident, and my hard work paid off as I was promoted to the position of Shift Manager. Working in rotational night shifts is a regular part of my routine, and I must admit that I feel comfortable with the schedule. It is gratifying to see how my dedication has motivated and inspired other women employees to consider and show interest in working during night shifts as well."

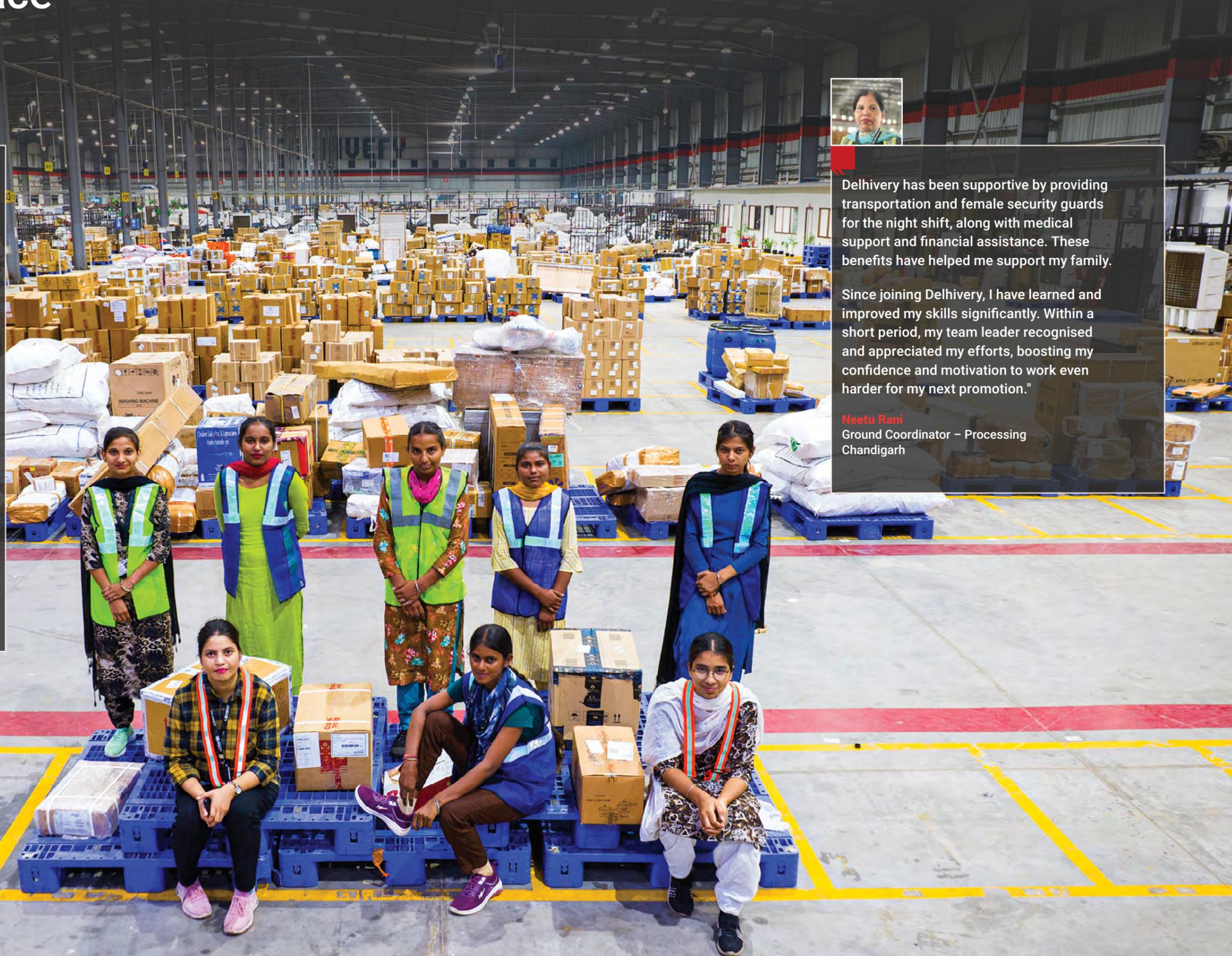
V Lavanya
Manager – Hub and Line Operations
Chennai



Delhivery has been supportive by providing transportation and female security guards for the night shift, along with medical support and financial assistance. These benefits have helped me support my family.

Since joining Delhivery, I have learned and improved my skills significantly. Within a short period, my team leader recognised and appreciated my efforts, boosting my confidence and motivation to work even harder for my next promotion."

Neetu Rani
Ground Coordinator – Processing
Chandigarh





Navigating challenges, safeguarding trust

People Powering Logistics



"I have been working as a truck driver for 3.5 years in Delhivery, while I have been driving trucks for the last 10 years of my life. I would like to thank Delhivery for changing my life. The truck I drive has the most advanced technology, with a lot of safety features. There is no fatigue while driving as driving comfort is really good. The Company takes very good care of us and I get regular guidance and training on driving, due to which I am able to perform better. I am proud of working with Delhivery."

Vinod Kumar
Driver of Volvo TT
Haryana



"I feel glad and proud to be a part of India's largest fully integrated logistics company. We are operating a world-class transportation system with the safest and most premium vehicles across India. This enables us to reduce the turnaround time, resulting in faster and safer movement of goods to our valued clients."

"We handle logistics operations with premium assets that have advanced technology and tracking systems, making it possible for us to operate and deliver 24/7."

Deepak Gop
Associate – Owned Fleet Operations
Bengaluru



Directors' Report

Dear Members,

The Board of Directors ("the Board") have pleasure in presenting the 12th Annual Report of Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred as "Company"/"Delhivery") along with the Audited Financial Statements for the financial year ("FY") ended March 31, 2023 (hereinafter referred as "FY23" or "during the year").

Financial Performance

Key highlights of the financial results of your Company for the FY23 are as under:

Particulars	Standalone – FY ended		Consolidated – FY ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from Operations	66,586.61	59,109.96	72,253.01	68,822.86
Other Income	3,311.74	1,698.59	3,049.48	1,561.41
Total Income	69,898.35	60,808.55	75,302.49	70,384.27
Less: Total expenses	77,908.26	69,421.85	85,968.83	80,645.30
Loss before exceptional items, share of net profit/(loss) of associate and tax	(8,009.91)	(8,613.30)	(10,666.34)	(10,261.03)
Less: Exceptional Items	113.11	21.87	-	-
Loss before tax and share of profit/(loss) of associate	(8,123.02)	(8,635.17)	(10,666.34)	(10,261.03)
Less: Tax Expense	-	-	(452.81)	(183.30)
Loss after tax before share of profit/(loss) of associate	(8,123.02)	(8,635.17)	(10,213.53)	(10,077.73)
Add: Share of profit/(loss) of associate (net)	-	-	135.74	(32.27)
Loss for the year	(8,123.02)	(8,635.17)	(10,077.79)	(10,110.00)
Other Comprehensive (loss)/Income	(8.87)	9.64	12.30	14.37
Total Comprehensive Loss for the year	(8,131.89)	(8,625.53)	(10,065.49)	(10,095.63)

The Standalone and Consolidated Financial Statements of your Company for FY23 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), Indian Accounting Standards ('Ind AS') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ['SEBI Listing Regulations'].

- The revenue from operations on standalone basis for FY23 stood at ₹66,586.61 million as against ₹59,109.96 million for FY22, registering a growth of 12.65%. Whereas the loss for FY23 stood at ₹8,123.02 million as against ₹8,635.17 million for FY22, a reduction by 5.93%.
- The revenue from operations on consolidated basis for FY23 stood at ₹72,253.01 million as against ₹68,822.86 million for FY22, registering a growth of 4.98%. Whereas the loss for FY23 stood at ₹10,077.79 million as against ₹10,110.00 million for FY22, a reduction by 0.32%.
- The increase in revenue from operations is on account of:
 - Increase in revenue from our Express Parcel, Supply Chain Services and Truckload services.
 - Spoton Logistics Private Limited ("Spoton"), a wholly-owned subsidiary of Delhivery, contributed to the revenues for the full year in FY23 as compared to approximately 7 months in FY22.

- The increase in expenses is on account of:
 - increase in freight, handling and servicing cost, employee benefit expenses and other expenses attributable to the increase in revenues.
 - increase in depreciation and amortisation expenses majorly due to depreciation and amortisation of assets acquired during integration of Spoton with Delhivery.

State of Affairs of the Company/ Business Operations

Your Company's mission is to enable customers to operate flexible, reliable and resilient supply chains at the lowest costs. As of March 31, 2023, we provided supply chain solutions to a diverse base of over 27,000 active customers such as e-commerce marketplaces, direct-to-consumer e-tailers and enterprises and SMEs across several verticals such as FMCG, consumer durables, consumer electronics, lifestyle, retail, automotive and manufacturing.

This is achieved through high-quality logistics infrastructure and network engineering, a vast network of domestic and global partners and significant investments in automation, all of which are orchestrated by our self-developed logistics operating system that drive network synergies within and across our services and enhance our value proposition to customers.

The key differentiators of business of your Company are:

- **Integrated solutions:** Your Company provides a full range of logistics services, including express parcel delivery, heavy goods delivery, Part Truck Load ("PTL") freight, Truck Load ("TL") freight, warehousing, supply chain solutions, cross-border express and freight services and supply chain software, along with value added services such as e-commerce return services, payment collection and processing, installation and assembly services and fraud detection.
- **Proprietary logistics operating system:** In-house logistics technology stack is built by your Company to meet the dynamic needs of modern supply chains. Your Company has over 80 applications through which your Company provides various services, orchestrated by the platform to govern transaction flows from end to end. The platform of your Company is designed as a set of foundational layers, libraries and APIs that form the building blocks for logistics applications and provides a configurable framework and tools to enable both internal and external developers to build custom applications.
- **Data Intelligence:** Your Company collects, structures, stores and processes vast amounts of transaction and environmental data to guide real-time operational decision making. We 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 enabled us to execute operations in an efficient and precise manner.
- **Automation:** Your Company operated 24 fully and semiautomated sortation centres and 94 gateways across India (including those operated by Spoton) as of March 31, 2023. We have a Rated Automated Sort Capacity of 5.4 million shipments per day as of March 31, 2023. We have automated material handling systems at gateways in Tauru (Haryana), Bhiwandi (Maharashtra) and Bengaluru (Karnataka). Your Company is expanding the gateway infrastructure in Bhiwandi and Bengaluru to 700,000 sq.ft. and 1,000,000 sq.ft. respectively, which will enable your Company to service the increasing demand for its services. This automation, combined with system directed floor operations, path expectation algorithms and machine-vision guided truck loading systems, together enable the facility staff to be more productive and reduce errors in their operations.
- **Unified Infrastructure and Network:** Your Company operates a pan-India network and provides services in 18,540 postal index number ("PIN") codes, as of March 31, 2023. Logistics platform, data intelligence and automation of your Company enable the network to be seamlessly interoperable and allows to share infrastructure and operational capacity across business lines and set new service standards, such as providing e-commerce-like turnaround times to traditional part-truckload shippers on several lanes.
- **Asset-light operations:** Your Company follows an asset light model. The approach is to invest in critical service

elements and IP-sensitive areas of the network, while delivering services through a large number of network partners. Network partners with warehousing, freight (truckload or air) or first/last-mile capacity can sign up and find customers via the partner applications. The systems of your Company function as managed marketplaces that match partner capacity with its internal and third-party client demand based on partners' service quality ratings and pricing. This approach has enabled your Company to quickly expand to geographically dispersed locations, optimise loads, improve the cost structure and maintain flexibility in handling seasonal variations and changes in client requirements while incurring minimal fixed costs and capital expenditures.

- **Entrepreneurial team:** The experienced team of your Company has driven service excellence and industry first innovations that have enabled your Company to gain market leadership in a short span of time. The team comes from diverse backgrounds in engineering, technology, operations, R&D and design from across industries such as technology, e-commerce, manufacturing, telecommunications, management consulting, financial services and the armed forces, among others.

Acquisitions and Investments

In line with the strategy to build scale and new capabilities both organically and inorganically, your Company completed important acquisitions in FY23 as detailed below:

Algorhythm Tech Private Limited ("Algorhythm Tech")

Your Company acquired Algorhythm Tech in India by acquiring 100% of its share capital for ₹149.06 million during January, 2023. Algorhythm Tech is a supply chain software company that offers comprehensive, end-to-end supply chain planning & execution solutions for industry sectors like FMCG, pharma, steel, auto, telecom etc. through their proprietary, AI-enabled and cloud-ready rhythm 3.0 platform. The platform consists of a dozen products designed to deal with various problems in manufacturing, supply chain, and sales & distribution processes.

Further, your Company has made following strategic investments during FY23.

Boxseat Ventures Private Limited ("Boxseat Ventures")

Investment of 4.97% in the equity share capital of Boxseat Ventures in India for a consideration of ₹197.90 million during October, 2022. Boxseat Ventures is engaged in the business of acquiring cash flow positive eCommerce merchants selling on marketplaces like Amazon and Flipkart.

Further, post the closing of FY23 and till the date of this report, your Company also strategically invested in:

Vinculum Solutions Private Limited ("Vinculum")

Investment of 10.94% in the equity share capital of Vinculum in India for a consideration of ₹250 million during FY24. Vinculum is one of the early software companies from India, enabling brands to tap into the opportunity presented by eCommerce and Omni Channel. In response to the



Directors' Report (Contd.)

industry and consumer shifts post the pandemic Vinculum has scaled up into a leading SaaS Omni Channel software company working with over 400 brands across Grocery & FMCG, Healthcare, Beauty, Cosmetics, Fashion, and Jewelry in India, South East Asia, and the Middle East markets.

Transfer to Reserves and Dividend

As your Company does not have Profits for the FY23 hence no amount is available for transfer to reserves. Accordingly, the Board does not recommend any dividend for the FY23.

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

Initial Public Offer ("IPO") of Equity Shares

Your Company floated Initial Public Offer ("IPO") of its Equity Shares during FY23. The IPO was completed, and your Company got listed at the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") (collectively referred to as "Stock Exchanges") on May 24, 2022. Despite extremely challenging times stemming from geo-political tensions, supply chain constraints, rising interest rates and

volatile market conditions, your Company completed its IPO successfully with participation of several leading domestic and global investors. The Board is gratified and humbled by the faith shown in the Company by its Members. The total size of the IPO was ₹52,350.00 million comprising of 107,497,225 equity shares including fresh issue of 82,137,328 equity shares aggregating to ₹40,000.00 million and offer for sale of 25,359,897 equity shares aggregating to ₹12,350.00 million by selling shareholders. The IPO opened on May 11, 2022 and closed on May 13, 2022 and the Equity shares were allotted / allocated at a price of ₹487/- per Equity Share (including a share premium of ₹486/- per Equity Share) on May 20, 2022. A discount of ₹25/- was offered to eligible employees.

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

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

Sl. No.	Objects of fund raising	Amount (₹ in Million)		
		Amount of funds Allocated	Funds utilised as on March 31, 2023	Funds utilised as on June 30, 2023
1.	Organic Growth Initiatives			
	Building scale in existing business lines and developing new adjacent business lines	1,600.00	1,247.82	1547.77
	Expanding network infrastructure of your Company	13,600.00	4,205.69 ¹	5,949.96 ²
	Upgrading and improving proprietary logistics operating system of your Company	4,800.00	2,454.86	3,092.93
2.	Funding inorganic growth through acquisition and other strategic Initiatives	10,000.00	161.25	411.25
3.	General Corporate purposes	8,703.00	5,125.24	5,125.24
	Total	38,703.00	13,194.86	16,127.15

¹ Lease payment also includes payment towards security deposit of ₹274.45 million from the date of IPO till the quarter ended March 31, 2023.

² Lease payment also includes payment towards security deposit of ₹329.54 million from the date of IPO till the quarter ended June 30, 2023.

Funds unutilised as on March 31, 2023 is ₹25,508.14/- and as on June 30, 2023 is ₹22,575.85 million. There has been no deviation in the utilisation of the IPO proceeds of the Company. The Monitoring Agency Report is available at the Company's website at <https://www.delhivery.com/company/investor-relations>.

Change in the nature of Business

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

Material Changes and Commitment affecting Financial Position of the Company

There were no material changes between the end of the financial year of your company and the date of this report, affecting the Financial Position of your Company other than issuance of fresh shares as detailed in this report.

Share Capital

A. Authorised Share Capital

There has been no change in the Authorised/Nominal Share Capital of the Company during FY23. The said Share Capital as on March 31, 2023 was ₹1,342,535,980 divided into:

- 873,502,280 Equity Shares of ₹1 each,
- 300,000 Preference Shares of ₹10 each and
- 4,660,337 Preference Shares of ₹100 each

B. Changes in Issued, Subscribed and Paid-up Share Capital

During the FY23, the changes in Issued, Subscribed and Paid-up Share Capital of your Company was as follows:

Particulars	No. of shares	Amount (in ₹)
Issued, Subscribed and Paid up Share Capital at the beginning of the financial year 2022-23	642,106,100	642,106,100
Shares issued/allotted during the financial year 2022-23	86,609,049	86,609,049
Issued, Subscribed and Paid-up Share Capital at the end of the financial year 2022-23	728,715,149	728,715,149

Details of shares issued/allotted during the financial year 2022-23 are as follows:

Sl. No.	Date of allotment	Mode of issue/allotment	No. of shares allotted	Face Value per equity share (in ₹)	Nature of consideration
1.	April 19, 2022	Employee Stock Options Exercised	259,727	1	Cash
2.	May 20, 2022	Fresh issue of shares pursuant to Initial Public Offer	82,137,328	1	Cash
3.	August 08, 2022	Employee Stock Options Exercised	210,250	1	Cash
4.	September 02, 2022	Employee Stock Options Exercised	1,032,950	1	Cash
5.	October 10, 2022	Employee Stock Options Exercised	604,362	1	Cash
6.	November 05, 2022	Employee Stock Options Exercised	533,922	1	Cash
7.	December 06, 2022	Employee Stock Options Exercised	1,255,568	1	Cash
8.	January 06, 2023	Employee Stock Options Exercised	170,676	1	Cash
9.	February 06, 2023	Employee Stock Options Exercised	134,563	1	Cash
10.	March 05, 2023	Employee Stock Options Exercised	269,703	1	Cash

After the closure of the reporting period, your Company has allotted Equity Shares as per following details:

Sl. No.	Date of allotment	Mode of issue/allotment	No. shares allotted	Face Value per equity share (in ₹)	Nature of consideration
1.	April 06, 2023	Employee Stock Options Exercised	158,855	1	Cash
2.	May 06, 2023	Employee Stock Options Exercised	385,739	1	Cash
3.	June 08, 2023	Employee Stock Options Exercised	1,941,454	1	Cash
4.	July 10, 2023	Employee Stock Options Exercised	1,728,427	1	Cash
5.	August 08, 2023	Employee Stock Options Exercised	197,846	1	Cash

As on the date of this report, your Company's paid-up share capital amounts to ₹733,127,470/-

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

MOA

During the year, there was no alteration in your Memorandum of Association (MOA) of the Company.

AOA

With effect from the date of listing of Equity Shares of your Company at Stock Exchanges i.e. May 24, 2022, Part A of the AOA continues to be effective and Part B has become ineffective. The Articles of Association (AOA) of your Company were further amended by special resolution passed on July 10, 2022 through the Postal Ballot.

Employees' Stock Option Plans ("ESOPs")

Your Company has four ESOPs, namely, Delhivery Employees Stock Option Plan, 2012 ("ESOP I - 2012"), Delhivery Employees Stock Option Plan - II, 2020 ("ESOP II - 2020"), Delhivery Employees Stock Option Plan - III, 2020 ("ESOP III - 2020") and Delhivery Employees Stock Option Plan - IV, 2021 ("ESOP IV - 2021", and collectively, the "ESOPs"). These Plans are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (hereinafter referred to as "SEBI SBEB & SE Regulations") and have also been ratified by the Members of the Company on July 10, 2022 through postal ballot.



Directors' Report (Contd.)

The Secretarial Auditors of your Company have provided a certificate stating that the aforesaid ESOP Plans have been implemented in accordance with SEBI SBEB & SE Regulations and are in accordance with the approval of shareholders of the Company, from time to time. The said certificate will be placed before the members at the AGM.

The disclosures as required under Regulation 14 of SEBI SBEB & SE Regulations, are available on the website of the Company at <https://www.delhivery.com/company/investor-relations>.

Credit Rating

Not applicable

Investor Grievances

Your Company has a Stakeholders' Relationship Committee of the Board to examine and redress investors' complaints. The status of complaints is presented before the Committee on a periodic basis.

During the year under review, the status of Investor Grievances is as under:

Pending at the beginning of the financial year	Nil
Received during the financial year	5
Disposed off during the financial year	5
Pending at the end of the financial year	Nil
Complaints not resolved to the satisfaction of investor	Nil

Directors and Key Managerial Personnel

Your Company has an appropriate mix of directors on its Board of Directors ('Board'). As on March 31, 2023, the Board consisted of three (3) Executive Directors, five (5) Non-Executive Independent Directors including one (1) Woman Independent Director and two (2) Non-Executive Directors in compliance with the applicable provisions of the Act and the SEBI Listing Regulations. Your Directors are eminent individuals of diverse backgrounds with skills, experience and expertise in various areas, the complete list of which has been provided in the Corporate Governance Report forming part of this report.

The year under review saw the following changes to the Board composition / Change in terms of Appointment of the Board members:

Appointment

- The Members at its AGM held on September 29, 2022 have approved the appointment of Ms. Aruna Sundararajan (DIN: 03523267) as a Non-Executive – Independent Director for a period of 5 years, w.e.f. July 08, 2022, not liable to retire by rotation.

Change(s) in terms of Appointment

- The Members at its AGM held on September 29, 2022 have approved the changed terms of appointment of Mr. Sahil Barua, Managing Director and Chief Executive Officer of the Company, from being "not liable to retire by rotation" to "liable to retire by rotation" w.e.f. July 09, 2022.
- The Members at its AGM held on September 29, 2022 have approved the changed terms of appointment of Mr. Sandeep Kumar Barasia, Executive Director and Chief Business Officer of the Company, from being "not liable to retire by rotation" to "liable to retire by rotation" w.e.f. July 08, 2022.
- Consequent upon listing of shares of the Company, Mr. Suvir Suren Sujan (DIN: 01173669), Non-Executive – Nominee director representing M/s Nexus Ventures III Ltd. and Nexus Opportunity Fund Ltd., Equity Investors of the Company has ceased to be a nominee of M/s Nexus Ventures III Ltd. and Nexus Opportunity Fund Ltd., and continues as a Non-Executive Director w.e.f. May 24, 2022.
- Consequent upon listing of shares of the Company, Mr. Donald Francis Colleran (DIN: 09431299) was appointed as Non-Executive – Nominee Director to represent M/s FedEx Express Transportation and Supply Chain Services (India) Private Limited ("FedEx"), Equity Investor of the Company, has ceased to be a nominee of FedEx and continues as a Non-Executive Director w.e.f. May 24, 2022.

Cessation(s) / Resignation(s)

- Ms. Kalpana Jaisingh Morparia (DIN: 00046081) resigned from the Board w.e.f. February 11, 2023, due to pre-occupation.
- Mr. Munish Ravinder Varma (DIN: 02442753), Non-Executive – Nominee Director representing M/s SVF Doorbell (Cayman) Ltd, an Equity Investor of the Company, resigned from the Board w.e.f. June 29, 2022 due to personal reasons.
- Mr. Agus Tandiono (DIN: 08577542), Non-Executive – Nominee Director representing M/s Canada Pension Plan Investment Board, an Equity Investor of the Company, resigned from the Board w.e.f. April 08, 2022 due to personal reasons and preoccupation.

The Board places on record its appreciation for Ms. Kalpana Jaisingh Morparia, Mr. Munish Ravinder Varma and Mr. Agus Tandiono, Directors who have ceased as Directors, for their invaluable contribution and guidance during their tenure.

Post the completion of FY23, based on the recommendation of the Nomination and Remuneration Committee of the Company, the Board of Directors in its meeting held on August 04, 2023 have approved the appointment of Mr. Anindya Ghose (DIN: 10243913) as an Additional Director

under the category of Independent Director of the Company for a term of five years with effect from August 04, 2023, subject to the approval of members in the ensuing 12th AGM. The Board recommends his appointment as Non-Executive Independent Director at the ensuing AGM. The details as required under the SEBI Listing Regulations are contained in the Notice convening the ensuing AGM of your Company.

Further, Mr. Suvir Suren Sujan, Non-Executive Director, ceased to be associated with your Company w.e.f. August 24, 2023, pursuant to his resignation on account of pre-occupation and other commitments.

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

Key Managerial Personnel

During FY23, there was no change in Key Managerial Personnel ('KMP') of your Company.

Directors and the KMP as on March 31, 2023 are as under:

S. No.	Name of Director and KMP	Designation
1	Mr. Deepak Kapoor	Chairperson and Non-Executive Independent Director
2	Mr. Srivatsan Rajan	Non-Executive Independent Director
3	Mr. Romesh Sobti	Non-Executive Independent Director
4	Mr. Saugata Gupta	Non-Executive Independent Director
5	Ms. Aruna Sundararajan	Non-Executive Independent Director
6	Mr. Sahil Barua	Managing Director and Chief Executive Officer
7	Mr. Sandeep Kumar Barasia	Executive Director and Chief Business Officer
8	Mr. Kapil Bharati	Executive Director and Chief Technology Officer
9	Mr. Suvir Suren Sujan ¹	Non-Executive Director
10	Mr. Donald Francis Colleran	Non-Executive Director
11	Mr. Amit Agarwal	Chief Financial Officer
12	Mr. Sunil Kumar Bansal ²	Company Secretary and Compliance Officer

¹ Mr. Suvir Suren Sujan, Non-Executive Director, ceased to be associated with your Company w.e.f. August 24, 2023, pursuant to his resignation on account of pre-occupation and other commitments.

² Mr. Sunil Kumar Bansal, Company Secretary and Compliance Officer, ceased to be associated with your Company w.e.f. May 31, 2023, pursuant to his resignation.

It may be noted that Mr. Vivek Kumar who was already associated with the Company as Director- Corporate Affairs and Deputy Company Secretary, was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. June 01, 2023.

In addition to the aforesaid Directors and KMP, your Company, as on March 31, 2023, had following Senior Management Personnel ('SMP') who were also designated as KMP, along with other SMP:

S. No.	Name	KMP and/or SMP	Designation
1.	Mr. Suraj Saharan	KMP and SMP	Head of New Ventures
2.	Mr. Ajith Pai Mangalore	KMP and SMP	Chief Operating Officer
3.	Ms. Pooja Gupta	KMP and SMP	Chief People Officer
4.	Mr. Abhik Mitra*	KMP and SMP	Managing Director and CEO of Spoton. Also designated as Chief Customer Experience Officer of Delhivery w.e.f. May 14, 2022
5.	Mr. Uday Sharma	SMP	Head of Business Development

*Mr. Abhik Mitra ceased to be associated with Delhivery and Spoton w.e.f. April 24, 2023, pursuant to his resignation.

Directors retiring by Rotation:

All the Directors (other than the Independent Directors), on the Board of your Company are liable to retire by rotation. In terms of the provisions of Section 152(6) of the Act and the Rules made thereunder, Mr. Kapil Bharati, Executive Director & Chief Technology Officer, and Mr. Donald Francis Colleran, Non-Executive Director, are scheduled for retirement by rotation at the ensuing AGM. Mr. Kapil Bharati, being eligible, has offered himself for re-appointment. Based on the recommendations of the NRC, the Board recommends re-appointment of Mr. Kapil Bharati at the ensuing AGM. However, Mr. Donald Francis Colleran has expressed his unwillingness to be re-appointed due to his present & upcoming commitments elsewhere. Accordingly, the Board does not recommend the re-appointment of Mr. Colleran, and has recommended not to fill-up the vacancy resulting from his cessation as a Director at the upcoming AGM.

The details of above Directors, as required under the SEBI Listing Regulations are contained in the Notice convening the ensuing AGM of your Company.



Directors' Report (Contd.)

Independent Directors' Declaration

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

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

Familiarisation Programme for Directors

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

Board and Committee Meetings

During the year under review, Nine (9) Board Meetings were held to consider and approve various matters. The details of the meetings and the attendance of the Directors are provided in the Corporate Governance Report forming part of this report.

The Board constituted Committees as on March 31, 2023 are: a) Audit Committee; b) Nomination and Remuneration Committee; c) CSR & Sustainability Committee¹; d) Stakeholders Relationship Committee; e) Risk Management Committee; f) IPO Committee²; g) Merger and Amalgamation ("M&A") Committee³.

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

Policy on Director's Appointment, Remuneration and other matters

The Policy of your Company on appointment and remuneration including criteria for determining the qualification, positive attributes, independence and other matters of Directors, KMP and SMP as per applicable provisions under Sec 178 of the Act read with SEBI Listing

Regulations has been formulated by the NRC and approved by the Board. The said Policy is uploaded on the website of your Company at <https://www.delhivery.com/company/investor-relations> and is followed for respective appointment(s). The Salient Features of the Policy on Nomination, Remuneration & Evaluation are as follows:

- Objective:** The policy should clearly state its objective, which is to ensure a transparent and fair process for the selection, appointment, and remuneration of directors, KMP and SMP.
- Nomination Process:** The policy outlines the process for identifying and selecting suitable candidates for various positions within your company, including directors, KMP and SMP. It may include factors such as qualifications, experience, independence, diversity, and skills required for the specific role.
- Board Evaluation:** The policy includes provisions for conducting regular evaluations of the performance of the board, individual directors, and board committees. The evaluation process helps in identifying areas for improvement and ensuring the effectiveness of the board.
- Remuneration Framework:** The policy defines the principles and guidelines for determining the remuneration of directors, KMP and SMP. It may consider factors such as industry benchmarks, company performance, individual performance, and responsibilities.

Board Evaluation

The NRC has formulated a Policy and criteria for evaluation of the Board, its Committees and Individual Directors, which has been adopted by the Board. Their performance of the Board and its Committees were evaluated after seeking inputs from all the Directors on the basis of criteria such as the composition and meetings, role & responsibilities and overall effectiveness of the Board & Committees. Evaluation of the performance of all Individual Directors (including Independent Directors and Chairperson) was also done this year. The details of the Board Evaluation process are mentioned in the Corporate Governance Report forming part of this Report.

Pursuant to Schedule IV of the Act read with Regulation 25 of SEBI Listing Regulations, the Independent Directors met on May 04, 2022 and March 29, 2023 without the presence of Non-Independent Directors. Further, details regarding this are mentioned in the Corporate Governance Report forming part of this Report.

Directors' Responsibility Statement

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

- in preparation of the annual accounts for the FY23, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2023 and loss of your Company for the period ended on that date;
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they had prepared annual accounts on a going concern basis;
- they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Controls and their Adequacy

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

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

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

Subsidiary, Associate & Joint Venture Companies

Subsidiary Companies:

Your Company has the following wholly-owned subsidiaries (including four (4) wholly-owned step-down subsidiaries) as on March 31, 2023. The details are as follows:

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

The following companies have become wholly-owned Subsidiaries/ step down subsidiaries of your Company during the FY23.

- Algorhythm Tech Private Limited ("Algo")
- Delhivery Bangladesh Logistics Pvt. Ltd. ("DBLPL") (Subsidiary of Delhivery Singapore)
- Delhivery Logistics (Shenzhen) Company Limited ("DLSC") (Subsidiary of Delhivery Singapore)¹

Your Board reviewed the affairs of subsidiaries and there has been no material change in the nature of the business of such subsidiaries. Further, no Company ceased to be a subsidiary of the Company during FY23.

¹ The nomenclature of "CSR & Sustainability Committee" has been changed from "Corporate Social Responsibility Committee" w.e.f. May 30, 2022.

² IPO Committee was formed solely for the purpose of serving the requirements under law in relation to IPO. Your Company got its equity shares listed on recognised stock exchanges on May 24, 2022 whereafter the IPO Committee stands automatically dissolved.

³ Merger and Amalgamation Committee was formed to review and recommend merger, acquisition and corporate investment transactions. However, in the Board Meeting held on August 04, 2023, it was noted that such matters have been placed before the Board for wider discussion and hence the Board dissolved the Committee, w.e.f. August 04, 2023.

¹ This company was statutorily incorporated during the FY23, however, no capital/fund infusion has been done yet and the company is non-operative as on date.



Directors' Report (Contd.)

Associate Companies:

During the year under review, no company became or ceased to be the associate of the Company. As on March 31, 2023, your Company has one associate company i.e. Falcon Autotech Private Limited ("Falcon") wherein the Company holds 34.55% of equity shares.

Joint Venture Companies:

During the year under review, no company became or ceased to be a joint venture of the Company. Furthermore, your Company did not have any joint ventures as defined under the provisions of the Act during the year.

In accordance with the provisions of Section 129 of the Act, your Company has prepared Consolidated Financial Statements of the Company and all its subsidiaries and associates which form part of this Report. Further, the report on the performance and financial position of each subsidiary and associate, as applicable, and salient features of their Financial Statements in the prescribed Form AOC-1 is annexed to this Report as **Annexure 1**. Further, contribution of subsidiaries and associates to the overall performance of your Company have been disclosed in Note 41 of the Consolidated Financial Statements.

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

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

Deposits

During FY23, your Company has not accepted any deposits from the public in terms of the provisions of Section 73 of the Act. Further, no amount on account of principal or interest on deposits from the public was outstanding as on March 31, 2023.

Particulars of Loans, Guarantees or Investments

Your Company has not given any guarantee and/or provided any security to any body corporate, whether directly or indirectly, within the meaning of Section 186 of the Act. The details of loans and investments covered under Section 186 of the Act have been disclosed in note no. 35 to the standalone financial statements forming part of this Report.

Related Party Transactions

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

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

Since all the transactions with related parties during the year were on arm's length basis and in the ordinary course of business, hence, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to your Company for FY23.

Details of related party transactions entered into by your Company, in terms of Ind AS-24 have been disclosed in the Note 35 of the standalone and Note 34 of the consolidated financial statements, respectively, forming part of this report.

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

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

Vigil Mechanism / Whistle-Blower Policy

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

Further, all the Whistle-Blower Complaints alongwith their status update are periodically placed before the Audit Committee for their review and discussion. The same are also placed before the Board for their perusal and necessary action.

Auditors & Auditors Report:

Statutory Auditors

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

The report of the Statutory Auditors forms part of the Annual Report for FY23. The said report does not contain any qualification, reservation, adverse remark or disclaimer.

Your Company, based on the recommendation of the Audit Committee and the Board of Directors vide their resolutions dated August 03, 2023 and August 04, 2023, respectively, proposes and recommends to the members of the Company for appointment of M/s. Deloitte Haskins & Sells LLP (Firm Registration No.117366W/W-100018), Chartered Accountants, as the new statutory auditors of your Company for the term of five (5) consecutive years from the conclusion of the ensuing 12th AGM till the conclusion of 17th AGM of the Company to be held in the calendar year 2028.

Secretarial Auditors

The Board appointed M/s. VAPN & Associates, (Registration No. P2015DE045500) Practicing Company Secretaries, as the Secretarial Auditor to conduct Secretarial Audit of your Company and its material subsidiary i.e. Spoton for FY23 as per the provisions of Section 204 of the Act. The Secretarial Audit Report for the FY23 is annexed to this Report as **Annexure-3** and **Annexure-4**. The said reports does not contain any qualification, reservation, adverse remark or disclaimer.

Further, the Board has appointed M/s. VAPN & Associates as the Secretarial Auditor of the Company & Spoton for FY24.

Internal Auditors

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, M/s PricewaterhouseCoopers Services LLP, were appointed as Internal Auditors by the Board to conduct internal audit of your Company for FY23. The scope and authority of internal audit is defined by the Audit Committee which is reviewed each year in consultation with statutory auditors and approved by the Audit Committee. Their report on findings is submitted to the Audit Committee on a periodic basis and corrective actions are taken by the respective functional teams as per suggestions of the Internal Auditor and Audit Committee.

Further, the Board has appointed Mr. Jitender Khatri, Chartered Accountant, an employee of the Company as the Internal Auditor of your Company for FY24. Mr. Khatri reports to the Chairperson of the Audit Committee.

Disclosure regarding Frauds

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

Cost Records and Audit

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

Annual Return

The Annual Return in Form MGT - 7 for the FY23 pursuant to Section 92(3) read with Section 134(3)(a) of the Act and Rules made thereunder, is available on website of your Company at <https://www.delhivery.com/company/investor-relations>.



Directors' Report (Contd.)

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

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

The details of sexual harassment complaints that were filed, disposed of and pending during the financial year are provided in the Business Responsibility and Sustainability Report of this integrated Annual Report.

Downstream Investment

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

CSR & Sustainability Committee

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

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

Risk Management

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

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

Particulars of Employees

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

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

Human Resources and Employee Relations / Development

Your company has always believed that employees are its greatest strength and are key to the company's sustained growth & success. A multitude of initiatives were undertaken through the year to ensure that the work environment fosters high performance, inclusivity, respect, empathy, and employees are provided with opportunities for their development.

The Delhivery Skills Development Program was started in FY23 with an aim of providing career opportunities to young job-seekers. After a detailed assessment and 4-weeks of rigorous classroom and practical trainings across Delhivery facilities, offers for full-time permanent employment were rolled out to the successful candidates.

Your company continued to conduct regular town halls and all-hands meetings to ensure transparent communication and encourage a steady stream of two-way communication between the employees and the leadership. The annual engagement survey provided an opportunity to understand the pulse of the organisation and several initiatives were undertaken to address employee feedback across various dimensions. An org-wide Rewards and Recognition program was launched to foster a culture of appreciation. Several wellness initiatives were undertaken to enhance the overall well-being of employees which included establishment of fully-equipped gym facilities at corporate offices and sessions aimed at improving mental wellness. Internal Job Postings were encouraged, thereby providing an opportunity for employees to move across roles and functions.

Your company remains deeply committed to helping employees develop the knowledge, skills and abilities needed for continued growth and success in their roles. Based on operational challenges and business goals, Delhivery Academy conducted different types of sessions for the workforce which included induction, refresher and upskilling training. In FY23, team members participated in skilling programs and were subsequently absorbed into permanent positions within the company.

Your company has zero tolerance towards any unfair, unethical or discriminatory practices at the workplace and this reflects in all Company policies. Employees are continuously made aware and trained on policies such as the Prevention of Sexual Harassment (PoSH) at the workplace, the Company's Code of Conduct and the Whistle-Blower Policy. Health, Safety and Environmental Awareness also continues to be a key focus area.

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

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

The MD&A Report for FY23, as stipulated under Regulation 34 of the SEBI Listing Regulations, is annexed separately forming part of this Report.

Integrated Report and Business Responsibility and Sustainability Report ("BRSR Report")

In accordance with Regulation 34(2)(f) of the SEBI Listing Regulations, the Securities and Exchange Board of India (SEBI), in May 2021, introduced new sustainability related reporting requirements to be reported in the specific format of Business Responsibility and Sustainability Report (BRSR). BRSR is a notable departure from the existing Business Responsibility Report and a significant step towards giving a platform to the companies to report the initiatives taken by them in areas of Environment, Social and Governance. Further, SEBI has mandated top 1,000 listed companies, based on market capitalisation, to transition to BRSR from FY2022-23 onwards. Accordingly, we are glad to present our inaugural BRSR for FY2022-23 separately forming part of this Report.

Corporate Governance

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

Prevention of Insider Trading

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

Further, the violations against the Code are reported to the Audit Committee from time to time and details of the same are placed before the Audit Committee on a periodic basis for their perusal and necessary action.



Directors' Report (Contd.)

Other Disclosures

In terms of the applicable provisions of the Act and SEBI Listing Regulations, your Company provides following additional disclosures as on March 31, 2023:

- No equity shares with differential rights as to dividend, voting or otherwise have been issued.
- No Sweat equity shares have been issued.
- No Buyback of shares have been undertaken.
- None of your Directors has received any remuneration or commission from any subsidiary of your Company.
- Requirement of one time settlement with Banks or Financial Institutions was not applicable.
- No amount or Shares were required to be transferred to the Investor Education and Protection Fund.
- Your Company has complied with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India.
- The 99.99% share capital of your Company has been dematerialised.
- No application was required to be made by or against your Company and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016.
- No significant and material order was passed by the regulators or courts or tribunals impacting the going concern status and your Company's future operations.

Cautionary Statement

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

Acknowledgement

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

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

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

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

Sahil Barua
Managing Director
and Chief Executive Officer
DIN: 05131571
Place: Goa

Deepak Kapoor
Chairperson & Non-Executive
Independent Director
DIN: 00162957
Place: Delhi

Date: August 24, 2023

Annexure-1

FORM AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures as on March 31, 2023.

PART A: SUBSIDIARIES

Sl. No.	Particulars	Amount (₹ in Million)											
		Delhivery USA LLC	Delhivery Corp Limited, United Kingdom	Delhivery HK Pte Ltd., Hong Kong	Delhivery Cross Border Services Private Limited	Orion Supply Chain Private Limited	Delhivery Freight Services Private Limited	Spoton Logistics Private Limited	Spoton Supply Chain Solutions Private Limited	Delhivery Singapore Pte Ltd.	Delhivery Robotics LLC	Delhivery Bangladesh Logistics Pvt. Ltd.	Algorhythm Tech Private Limited
1.	Name of the Subsidiary												
2.	The date since when subsidiary was acquired (dd/mm/yyyy)	23-05-2016	16-03-2016	03-08-2018	12-12-2015	06-12-2019	21-04-2020	24-08-2021	24-08-2021	02-08-2021	23-08-2021	23-01-2023	13-01-2023
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
4.	Reporting currency	USD	GBP	HKD	INR	INR	INR	INR	INR	USD	USD	BDT	INR
5.	Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	82.18	101.44	10.47	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	82.18	82.18	0.78	Not applicable
6.	Share Capital	894.09	233.61	20.81	55.10	0.10	0.41	206.41	0.50	147.42	110.05	4.36	3.26
7.	Reserves & Surplus	(766.04)	(223.31)	34.83	(144.65)	(312.53)	612.12	127.05	51.79	23.80	(94.09)	(0.68)	(48.05)
8.	Total assets	159.48	10.30	272.86	80.74	102.90	1,205.21	2,475.64	364.56	171.94	25.08	3.98	18.79
9.	Total liabilities	31.43	-	217.22	170.29	415.33	592.68	2,142.18	312.27	0.72	9.12	0.30	63.58
10.	Investments	-	-	-	-	-	-	425.30	-	114.41	-	-	-
11.	Total Turnover	0.26	-	376.55	-	424.24	4,554.98	3,196.51	681.58	-	3.62	-	32.96
12.	Profit/(loss) before tax	(432.24)	0.41	3.12	(9.89)	(69.76)	(390.62)	(444.48)	14.56	(5.11)	(139.95)	(0.66)	(28.46)
13.	Tax Expense	-	-	(1.22)	-	-	-	(93.17)	8.45	-	-	-	17.99
14.	Profit/(loss) after tax	(432.24)	0.41	1.90	(9.89)	(69.76)	(390.62)	(351.31)	6.11	(5.11)	(139.95)	(0.66)	(46.45)
15.	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-
16.	Extent of shareholding (in percentage)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Notes:

- Names of subsidiaries which are yet to commence operations: Delhivery Bangladesh Logistics Pvt. Ltd. & Delhivery Logistics (Shenzhen) Company Limited. However, Delhivery Logistics (Shenzhen) Company Limited was statutorily incorporated during the FY23, but no fund infusion has been done yet and the company is non-operative as on date.
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable
- Reporting period for all the subsidiaries is April 01, 2022 to March 31, 2023.



Directors' Report (Contd.)

PART B: ASSOCIATES

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

Sl. No.	Particulars	
1.	Name of associates	Falcon Autotech Private Limited
2.	Latest audited Balance Sheet Date	Audited as on March 31, 2023
3.	Date on which the Associate was associated or acquired	January 04, 2022
4.	Shares of Associate held by your Company on the year end	
	i. Number of shares (Equity & Preference)	6,09,539 Equity shares
	ii. Amount of Investment in Associates	₹2,518.94 million
	iii. Extent of Holding	34.55%
5.	Description of how there is significant influence	By way of shareholding
6.	Reason why the associate is not consolidated	The share of profit & loss of the associate has been consolidated in the profit & loss account of your Company
7.	Net worth attributable to shareholding as per latest audited Balance Sheet	682.60
8.	Profit/(Loss) for the year	392.94
9.	i. Considered in Consolidation	135.74
	ii. Not Considered in Consolidation	257.20

* As on March 31, 2023, there is no Joint Venture pursuant to section 129(3) of Companies Act, 2013.

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

For and on behalf of the Board of Directors of

Delhivery Limited

(formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia

Executive Director and Chief Business Officer
DIN: 01432123
Place: Delhi

Amit Agarwal

Chief Financial Officer
Place: Gurugram

Sahil Barua

Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Vivek Kumar

Company Secretary
ACS-20938
Place: Gurugram

Date: August 24, 2023

Annexure-2

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

(A) Conservation of Energy

- The steps taken or impact on conservation of energy – Your Company is committed to utilise renewable electricity in its offices, facilities & other premises and uses energy efficient devices and has a total installed capacity of 1.5 MW solar power plant at various facilities.
- The steps taken by your Company for utilising alternate sources of energy – Installed capacity of 1.5 MW Solar Power Plant as on March 31, 2023 which resulted into:
 - Savings of 560 tonnes of CO₂ emission in FY23 (Enerdata 2021: 1 KWh = 708.2 Kg of CO₂ emission in India)
 - Reducing carbon footprint through tech solutions for better routing in the middle mile and last mile, higher truck/ bike utilisation; use of fuel efficient, Volvo tractor trailers etc.
- The capital investment on energy conservation equipments – Nil

(B) Technology absorption

- The efforts made towards technology absorption
 - Business Growth:**
 - Launched international shipping for end consumers via our Delhivery app and Direct web portal.
 - Launched international shipping offering for eCommerce customers via Delhivery One
 - Launched Communications Value Added Services(VAS) to reduce NDRs and subsequently RTOs for D2C brands and SMEs
- The benefits derived like product improvement, cost reduction, product development or import substitution –

Service Improvement:

- Launched a new mapper version reducing misroutes in our network by ~40%
- Launched "Exception Management" where we highlight any shipments which require client intervention proactively on Delhivery One and LTL Panel to clients - leading to a much faster resolution and improved service quality
- Launched complete-booking-on-doorstep for LTL - leading to lesser dwell at our facilities, and improved service level
- We started exposing all our fleet demand - local and national, spot and contracted, on our Freight exchange app Axle. Leading to a transparent business allocation, lower fulfilment costs, and improved service
- Expanded coverage of automated NDR process and consignee verification thereby significantly reducing the cases of wrong remarks by delivery executives

Clients/Consignees/Partners experience:

- Improved our tracking experience by providing more accurate delivery date, and more self-help options on tracking page
- Launched Delhivery Partner app on Play Store to let anyone sign up with us to deliver shipments in Last Mile
- Launched referral program for our last mile agent program on our LM app to scale up capacity and improve retention
- Provided an app with real-time visibility of accumulated payouts for our BP partner program

Financial Systems and Controls:

- Improved controls in our prepaid B2C offering to eliminate all leakage arising from under declared weights
- Improved our LTL billing systems to support wider rate structures - bringing down our time to bill, as well as billing disputes significantly
- Reduced revenue leakage for our aggregator LTL segment by implementing automated checks for under-declared weights



Directors' Report (Contd.)

	<p>Platform:</p> <ul style="list-style-type: none"> Launched our first product on Platform (OS1) - DispatchOne Built our returns dispatch systems on top of DispatchOne. To be rolled out by Q2 FY24 Built out our Location intelligence offerings on top of OS1 - to be rolled out by Q2 FY24 <p>Hardware Automation:</p> <ul style="list-style-type: none"> Our focus on hardware automation has continued through FY23 as we invested more in shipment and box sortation technologies: <ul style="list-style-type: none"> (a) Shipment sortation – added new capacity and introduced new enhancements to improve shipment handling. (B) Bag and box sortation – initiated the planning and installation in Bhiwandi mega gateway. Continued investing in and piloting new designs and capabilities for commercial drones including communication systems which are critical for beyond visual line of sight operations. Initiated trials for automated storage and retrieval systems (ASRS) in fulfillment centres and autonomous mobile robots (AMRs) in gateways.
(iii) In case of imported technology (imported during last three years reckoned from the beginning of the financial year):	
(a) the details of technology imported	NA
(b) the year of import	NA
(c) whether the technology been fully absorbed	NA
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	NA
(iv) The expenditure incurred on Research and Development	NA
(C) Foreign exchange earnings and Outgo	
The Foreign Exchange earned in terms of actual inflows during FY23 has been ₹ 357.45 million (FY22: ₹ 96.05 million) and the Foreign Exchange outgo during FY23 in terms of actual outflows has been ₹ 2,184.20 million (FY22: ₹ 3,077.77 million).	

For and on behalf of the Board of Directors

For Delhivery Limited

(formerly known as Delhivery Private Limited)

Sahil Barua
Managing Director & Chief Executive Officer
DIN: 05131571
Place: Goa

Deepak Kapoor
Chairperson & Non-Executive Independent Director
DIN: 00162957
Place: Delhi

Date: August 24, 2023

Annexure-3

Form No. MR-3 Secretarial Audit Report

For the Financial Year ended March 31, 2023

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

To,
The Members

Delhivery Limited
(Formerly known as: **Delhivery Private Limited**)
CIN: L63090DL2011PLC221234

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

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

We have conducted the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013 read with Rule-9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, on the compliance of applicable statutory provisions and the adherence to good corporate practices by **Delhivery Limited [Formerly known as Delhivery Private Limited]** (hereinafter called the "**Company**") during the financial year from April 01, 2022 to March 31, 2023 ("**the year**" / "**audit period**" / "**period under review**").

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

We are issuing this report based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. Compliance With Statutory Provisions:

1.1. We report that, we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the applicable provisions of (as amended):

- The Companies Act, 2013 ("**the Act**") and the Rules made thereunder read with notifications, exemptions and clarifications thereto;

- The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
 - The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
 - The Foreign Exchange Management Act, 1999 and the Rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, Current Account transactions, import and export of good and service.
- 1.2.** The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):-
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibitions of Insider Trading) Regulations, 2015;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **{Not applicable to the Company during the audit period};**
 - The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **{Not applicable to the Company during the audit period};**
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **{Not applicable to the Company during the audit period};**



Directors' Report (Contd.)

- (viii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **{Not applicable to the Company during the audit period};**
- (ix) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; and
- (x) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**LODR Regulations**");

1.3. We have also examined compliance with the applicable clauses of the following:

- (i) The Secretarial Standards on 'Meetings of the Board of Directors' (**SS-1**) (to the extent applicable to Board meetings) and the Secretarial Standards on 'General Meetings' (**SS-2**) (to the extent applicable to General meetings) issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") read with the SEBI LODR Regulations as mentioned above.

1.4. The other laws, as informed and certified by the management of the Company and based on the Compliance Report of various Laws submitted by Department Heads of the Company, which are specifically applicable to the Company based on their sector/ industry are:

- (a) Customs Act, 1962 (with regard to Container Freight Station);
- (b) Handling of Cargo in Customs Areas Regulations, 2009;
- (c) Multimodal Transportation of Goods Act, 1993;
- (d) Warehousing (Development and Regulation) Rules, 2010
- (e) Carriage of Goods by Road Act, 2007
- (f) Carriage of Goods by Air Act, 1972
- (g) Carriage of Goods by Sea Act, 1925
- (h) Motor Transport Workers Act, 1961
- (i) Motor Vehicles Act, 1988
- (j) Fatal Accidents Act, 1855
- (k) The Factories Act, 1948
- (l) Railway Act, 1989
- (m) The Air (Prevention and Control of Pollution) Act, 1981
- (n) The Water (Prevention and Control of Pollution) Act, 1974
- (o) Control of National Highways (Land and Traffic) Act, 2002

Based on aforesaid information provided by the Company, we report that during the year under report, the Company has complied with the provisions of the aforementioned Acts including applicable provisions of the Companies Act, 2013 and Rules, Regulations, Guidelines, Standards etc. mentioned hereinabove and we have no material observation or instances of Non-Compliance in respect of the same.

2. BOARD PROCESSES:

2.1. We further report that, the Board of Directors of the Company is duly constituted with a proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Women Director in compliance with the provisions of the Act and SEBI LODR Regulations.

2.2. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and SEBI LODR Regulations.

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

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

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

3. Compliance Mechanism:

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

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

4. Specific Events / Actions:

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

4.1. During the period under review, the capital structure of the Company was change on various intervals due to allotment of equity shares pursuant to following events:

Sr. No.	Date of passing resolution	No. of Equity Shares allotted	Type of allotment/ Nature of allotment
1.	April 19, 2022	2,59,727	Employee Stock Options Purchases
2.	May 20, 2022	8,21,37,328	Fresh issue of shares pursuant to Initial Public Offer
3.	August 08, 2022	2,10,250	Employee Stock Options Purchases
4.	September 02, 2022	10,32,950	Employee Stock Options Purchases
5.	October 10, 2022	6,04,362	Employee Stock Options Purchases
6.	November 05, 2022	5,33,922	Employee Stock Options Purchases
7.	December 06, 2022	12,55,568	Employee Stock Options Purchases
8.	January 06, 2023	1,70,676	Employee Stock Options Purchases
9.	February 06, 2023	1,34,563	Employee Stock Options Purchases
10.	March 05, 2023	2,69,703	Employee Stock Options Purchases

4.2. During the period under review, the Shareholders of the Company through Postal Ballot on July 10, 2022 passed the following resolutions:

- (i) Ratification of Delhivery Employees Stock Option Plan, 2012
- (ii) Ratification to extend benefits of Delhivery Employees Stock Option Plan, 2012 to the employees of the Group Companies including the Subsidiary Companies of the Company.
- (iii) Ratification of Delhivery Employees Stock Option Plan II, 2020.
- (iv) Ratification to extend benefits of Delhivery Employees Stock Option Plan II, 2020 to the employees of the Group Companies including the Subsidiary Companies of the Company.
- (v) Ratification of Delhivery Employees Stock Option Plan III, 2020.
- (vi) Ratification to extend benefits of Delhivery Employees Stock Option Plan III, 2020 to the employees of the Group Companies including the Subsidiary Companies of the Company.
- (vii) Ratification of Delhivery Employees Stock Option Plan IV, 2021.
- (viii) Ratification to extend benefits of Delhivery Employees Stock Option Plan IV, 2021 to the employees of the Group Companies including the Subsidiary Companies, of the Company.
- (ix) Approval of Article 97 (ii) of the Articles of Association ("AOA") of the Company.

4.3. During the period under review, the Company has come up with an Initial Public Offer ("**IPO**") of its Equity Shares. The IPO was completed, and the Company got listed at the National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**") (collectively referred to as "**Stock Exchanges**") on May 24, 2022. The total size of the IPO was ₹52,350.00 million comprising of 10,74,97,225 equity shares including fresh issue of 8,21,37,328 equity shares aggregating to ₹40,000.00 million and offer for sale of 2,53,59,897 equity shares aggregating to ₹12,350.00 million by selling shareholders. The IPO opened on May 11, 2022 and closed on May 13, 2022 and the Equity shares were allotted / allocated at a price of ₹487/- per Equity Share (including a share premium of ₹486/- per Equity Share) on May 20, 2022. A discount of ₹25/- was offered to eligible employees.

4.4. During the period under review, the Company has acquired direct/indirect stake in following Companies on various intervals:

- (i) Delhivery Logistics (Shenzhen) Company Limited (step-down subsidiary) has been incorporated as wholly-owned subsidiary company by Delhivery Singapore Pte. Ltd. resulting in as step-down subsidiary of Company.
- (ii) Delhivery Bangladesh Logistics Pvt. Ltd. (step-down subsidiary) has been incorporated as wholly-owned subsidiary Company by Delhivery Singapore Pte. Ltd. resulting in as step-down subsidiary of Company.
- (iii) The Company has made additional investment of US\$5 Million in Delhivery USA, LLC, wholly-owned subsidiary of the Company.
- (iv) During the period under review, the company has acquired 100% stake i.e. 2,67,252 equity shares and 58,684 CCPS (Compulsorily Convertible Preference Shares) of Algorhythm Tech Private Limited by way of secondary purchase from existing shareholders of Algorhythm Tech Private Limited for a consideration amounting to ₹ 14.90 crores (Rupees Fourteen Crores Ninety Lacs Only) pursuant to Board Resolution passed by the Board of Directors in the Board Meeting held on December 19, 2022.

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

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

Prabhakar Kumar

Partner

Date: May 19, 2023
Place: New Delhi

FCS No: 5781 | COP No: 10630
ICSI UDIN: F005781E000875551

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



Directors' Report (Contd.)

Annexure-A

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

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

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

Our Secretarial Audit Report (Form MR-3) of even date for the period from April 01, 2022 to March 31, 2023, is to be read along with this letter.

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

- (a) We have considered compliance-related action taken by the Company for the period from April 01, 2022 to March 31, 2023.

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

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

Prabhakar Kumar
 Partner

Date: May 19, 2023
 Place: New Delhi

FCS No: 5781 | COP No: 10630
 ICSI UDIN: F005781E000875551

Annexure-4

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

For the Financial Year as on March 31, 2023
 [Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
 (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
 The Members,
Spoton Logistics Private Limited
 (CIN: U63090DL2011PTC409002)

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

Corporate Office : Delhivery Ltd, Prestige Towers, 6th Floor, 99 & 100 Residency Rd,
 Shanthala Nagar, Ashok Nagar, Bengaluru, KA-560025

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Spoton Logistics Private Limited (hereinafter called "**the Company**") which is the wholly-owned material subsidiary of Delhivery Limited (A listed entity w.e.f May 24, 2022).

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 ("**the audit period/period under review**") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (**Not Applicable to the Company during the Audit Period**).
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.

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

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (**Not Applicable to the Company during the Audit Period**).
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (**Not Applicable to the Company during the Audit Period**).
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not Applicable to the Company during the Audit Period**).
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (**Not Applicable to the Company during the Audit Period**).
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit Period**).
- f. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (**Not Applicable to the Company during the Audit Period**).



Directors' Report (Contd.)

- g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable to the Company during the Audit Period)**.
- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**.
- i. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not Applicable to the Company during the Audit Period)** and
- j. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(Not Applicable to the Company during the Audit Period)**.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India on Board Meetings (SS-1) and General Meetings (SS-2).
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") read with the Listing agreements as entered by the Company with the Stock Exchanges **(Not Applicable to the Company during the Audit Period)**.

We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least 7 (seven) days in advance except in respect of Board Meetings and Committee Meetings which were held on shorter notice, in compliance with Section 173(3) of the Companies Act, 2013 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as per the minutes, as duly recorded and signed by the Chairman of the meeting of the Board of Directors or Committees of the Board; therefore, there were no dissenting views required to be recorded as part of the minutes.

We further report that based on review of compliance mechanism established by the Company and also on the basis of examination of the compliance software/ tool installed and maintained by the company, in our opinion, the adequate systems, processes and control mechanism exist in the Company to monitor and to ensure compliances with applicable General Laws like Labour laws, Environmental laws and with all applicable laws, rules, regulations and guidelines forming part of this report.

We further report that during the audit period, except for the below event, there was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

The Company has changed its registered office from the state of Gujarat to NCT of Delhi, pursuant to approval accorded by the members of the Company at their Extra Ordinary General Meeting held on August 27, 2022. Further, the Hon'ble Regional Director, North-Western Region, Ahmedabad Gujarat, Ministry of Corporate Affairs, accorded its approval for change of the registered office of the Company dated November 17, 2022.

For **VAPN & Associates**

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

Ashok

Partner

Date: May 19, 2023
Place: New Delhi

ACS No: 55136 | COP No: 20599
ICSI UDIN: A055136E000875615

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

Annexure-A

To,
The Members,
Spoton Logistics Private Limited
(CIN: U63090DL2011PTC409002)

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

Registered Office : Delhivery Ltd, Prestige Towers, 6th Floor, 99 & 100 Residency Rd,
Shanthala Nagar, Ashok Nagar, Bengaluru, KA-560025

Our Secretarial Audit Report (Form MR-3) of even date for the period from April 01, 2022 to March 31, 2023, is to be read along with this letter.

- The Company's management is responsible for the maintenance of secretarial records and compliance with the relevant provisions of corporate and other applicable laws, rules, regulations, guidelines, and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
- We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
- We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- While forming an opinion on compliance and issuing this report:
 - We have considered compliance-related action taken by the Company for the period from April 01, 2022 to March 31, 2023.
 - We have considered compliance-related actions taken by the Company based on independent legal/professional opinion/certification obtained as complying with the law.

(c) We have taken an overall view, based on the compliance procedures and practices followed by the Company.

5. We have not verified the correctness and appropriateness of the financial statement (including attachments and annexures thereto), financial records, and books of account of the Company, as they are subject to audit by the Auditors of the Company, appointed under Section 139 of the Act.

6. We have obtained and relied on the Management's representation about the compliance of laws, rules, and regulations and happening of events, wherever required.

7. Our Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **VAPN & Associates**

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

Ashok

Partner

Date: May 17, 2023
Place: New Delhi

ACS No: 55136 | COP No: 20599
ICSI UDIN: A055136E000875615



Directors' Report (Contd.)

Annexure-5

Annual Report on CSR Activities to be Included in the Board's Report for the Financial Year ending on March 31, 2023

Introduction

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

In light of the above Guiding Principle, your Company undertook the CSR activities on voluntarily basis as part of its CSR activities during FY 2022-23 though your Company

was not mandatorily required to spend any amount on CSR activities during FY 2022-23 in view of absence of profits during three immediately preceding financial years.

1. Brief outline on CSR Policy of the Company.

We believe in contributing to a sustainable community development and facilitating our efforts towards creating shared value. Our CSR Policy during the year under review had focused on promoting sports / training thereof, and contributing towards relief, rehabilitation and health.

We look forward to undertake additional CSR activities for providing support towards natural disasters, promotion of education and any other CSR activities as may be considered appropriate from time to time.

2. Composition of CSR & Sustainability Committee*:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR & Sustainability Committee held during the year	Number of meetings of CSR & Sustainability Committee attended during the year
1.	Ms. Kalpana Morparia**	Non-Executive Independent Director (Ex-Chairperson of the CSR Committee)	2	2
2.	Mr. Sahil Barua	Managing Director & Chief Executive Officer	2	2
3.	Mr. Sandeep Kumar Barasia	Executive Director & Chief Business Officer	2	2
4.	Ms. Aruna Sundararajan***	Non-Executive Independent Director (Chairperson of the CSR & Sustainability Committee)	2	1

* The Board of Directors of the Company ("Board"), in its meeting held on May 30, 2022 has approved the change of name of the CSR Committee to CSR & Sustainability Committee to additionally consider Environmental, Social and Governance ("ESG") initiatives / reporting as its terms of reference.

** The Board, in its meeting held on February 10, 2023 has taken note of the resignation of Ms. Kalpana Morparia effective from February 11, 2023 which also resulted in her cessation from the Chairpersonship and Membership of the CSR & Sustainability Committee of the Company from the effective date.

*** The Nomination and Remuneration Committee ("NRC") and the Board, vide their respective resolutions dated August 09, 2022 and August 22, 2022 recommended and appointed Ms. Aruna Sundararajan (DIN: 03523267) as member of the CSR & Sustainability Committee w.e.f. August 22, 2022. Further, on cessation of Ms. Kalpana Morparia effective from February 11, 2023, the NRC and the Board vide their respective resolutions dated March 28, 2023 passed through circulation has appointed Ms. Sundararajan as the Chairperson of the CSR & Sustainability Committee.

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

The composition of the CSR Committee:

<https://www.delhivery.com/company/governance>

CSR Policy:

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

CSR Projects as approved by the Board:

https://www.delhivery.com/wp-content/uploads/2022/08/CSR_Plan_22-23.pdf

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

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any –

Not Applicable

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

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

7. (a) Two percent of average net profit of the company as per section 135(5):

Not Applicable

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

Not Applicable

(c) Amount required to be set off for the financial year, if any:

Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c):

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

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
10,000,000/-	Nil	N.A.	N.A.	Nil	N.A.

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

Not applicable

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Amount spent for the project (in ₹)	Mode of implementation – Direct (Yes/No)	Mode of implementation - Through implementing agency	
							Name	CSR registration number
1.	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	VII	Yes	Indian Government and various Sports Federations	10,000,000/-	No	Foundation for Promotion of Sports and Games, a company incorporated under Section 25 of the Companies Act, 1956, known as Olympic Gold Quest (OGQ)	CSR00001100
Total					10,000,000/-			



Directors' Report (Contd.)

- (d) Amount spent in Administrative Overheads: Not Applicable
 (e) Amount spent on Impact Assessment, if applicable: Not applicable
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹1,00,00,000.00/-*
 (g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	10,000,000.00/-*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	10,000,000.00/-*
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	10,000,000.00/-*

* on voluntarily basis

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable
 (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Not Applicable
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

For Delhivery Limited

Aruna Sundararajan
 Chairperson – CSR Committee
 Non-Executive Independent Director
 DIN: 03523267
 Place: Mumbai

Date: August 04, 2023

Sahil Barua
 Member – CSR Committee
 Managing Director and CEO
 DIN: 05131571
 Place: Mumbai

Annexure-6

Particulars of Remuneration

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

1. The ratio of the remuneration of each Director to the median remuneration of all the employees of your Company for the FY23:

Sl.	Name of Director & Designation	Ratio to the Median
1.	Mr. Deepak Kapoor Chairman and Non-Executive Independent Director	28.53
2.	Mr. Srivatsan Rajan Non-Executive Independent Director	24.72
3.	Mr. Romesh Sobti Non-Executive Independent Director	24.72
4.	Mr. Saugata Gupta Non-Executive Independent Director	24.72
5.	Ms. Aruna Sundararajan Non-Executive Independent Director	16.74 ¹
6.	Ms. Kalpana Jaisingh Morparia Non-Executive Independent Director	21.30 ¹
7.	Mr. Sahil Barua Managing Director and Chief Executive Officer	133.35 ²
8.	Mr. Sandeep Kumar Barasia Executive Director and Chief Business Officer	208.68 ²
9.	Mr. Kapil Bharati Executive Director and Chief Technology Officer	124.90 ²
10.	Mr. Suvir Suren Sujan Non-Executive Director	Nil ³
11.	Mr. Donald Francis Colleran Non-Executive Director	Nil ³
12.	Mr. Agus Tandiono Non-Executive Nominee Director	Nil ³
13.	Mr. Munish Ravinder Varma Non-Executive Nominee Director	Nil ³

Notes:

- ¹ The director was on the Board for a part of FY23, so the ratio to the median is not comparable and is given only for the remuneration received for the period of her directorship.
² Ratio to the median remuneration excludes perquisite value on exercise of stock options under ESOP Plans as mentioned in the Corporate Governance Report.
³ No remuneration was paid to the Director during FY23.



Directors' Report (Contd.)

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

Sl.	Name	% increase in remuneration in the FY23 (as compared to FY22)
1.	Mr. Deepak Kapoor Chairman and Non-Executive Independent Director	7.14
2.	Mr. Srivatsan Rajan Non-Executive Independent Director	Nil
3.	Mr. Romesh Sobti Non-Executive Independent Director	NC ¹
4.	Mr. Saugata Gupta Non-Executive Independent Director	NC ¹
5.	Ms. Aruna Sundararajan Non-Executive Independent Director	NC ²
6.	Ms. Kalpana Jaisingh Morparia Non-Executive Independent Director	NC ³
7.	Mr. Sahil Barua Managing Director and Chief Executive Officer	0.25 ⁴
8.	Mr. Sandeep Kumar Barasia Executive Director and Chief Business Officer	15.93 ⁴
9.	Mr. Kapil Bharati Executive Director and Chief Technology Officer	13.41 ⁴
10.	Mr. Suvir Suren Sujan ⁵ Non-Executive Director	-
11.	Mr. Donald Francis Collieran ⁵ Non-Executive Director	-
12.	Mr. Agus Tandiono ⁵ Non-Executive Nominee Director	-
13.	Mr. Munish Ravinder Varma ⁵ Non-Executive Nominee Director	-
14.	Mr. Amit Agarwal Chief Financial Officer (CFO)	19.06 ⁴
15.	Mr. Sunil Kumar Bansal Company Secretary (CS) and VP Corporate Affairs	NC ¹

Notes:

NC = Not comparable

¹ The Director/CS was in the company for a part of FY22, so the percentage increase in remuneration in FY23 is not comparable to FY22.

² Ms. Aruna Sundararajan was appointed as Non-Executive Independent Director in FY23, therefore, the percentage increase in remuneration in FY23 as compared to FY22 is not applicable.

³ The Director was in the company for a part of FY22 and for a part of FY23, so the percentage increase in remuneration in FY23 is not comparable to FY22.

⁴ Percentage increase in remuneration excludes perquisite value on exercise of stock options under ESOP Plans.

⁵ No remuneration was paid to the Director during FY22 & FY23.

3. The percentage increase in the Median Remuneration of Employees ("MRE") in the FY23 was 3.4% (MRE has been calculated as Median remuneration of full-time employees of your Company who were active for the full FY23)
4. The Number of permanent employees on the rolls of your Company was 20,398 as on March 31, 2023.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Increase in the average salaries of employees other than managerial personnel in the FY23 was 11.7% (excluding perquisite value on exercise of Options under ESOP Plans and one-time performance incentive)

Justification:

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

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

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

Sahil Barua
Managing Director & Chief Executive Officer
DIN: 05131571
Place: Goa

Date: August 24, 2022

Deepak Kapoor
Chairperson & Non-Executive Independent Director
DIN: 00162957
Place: Delhi



Management Discussion and Analysis

Macro economic outlook

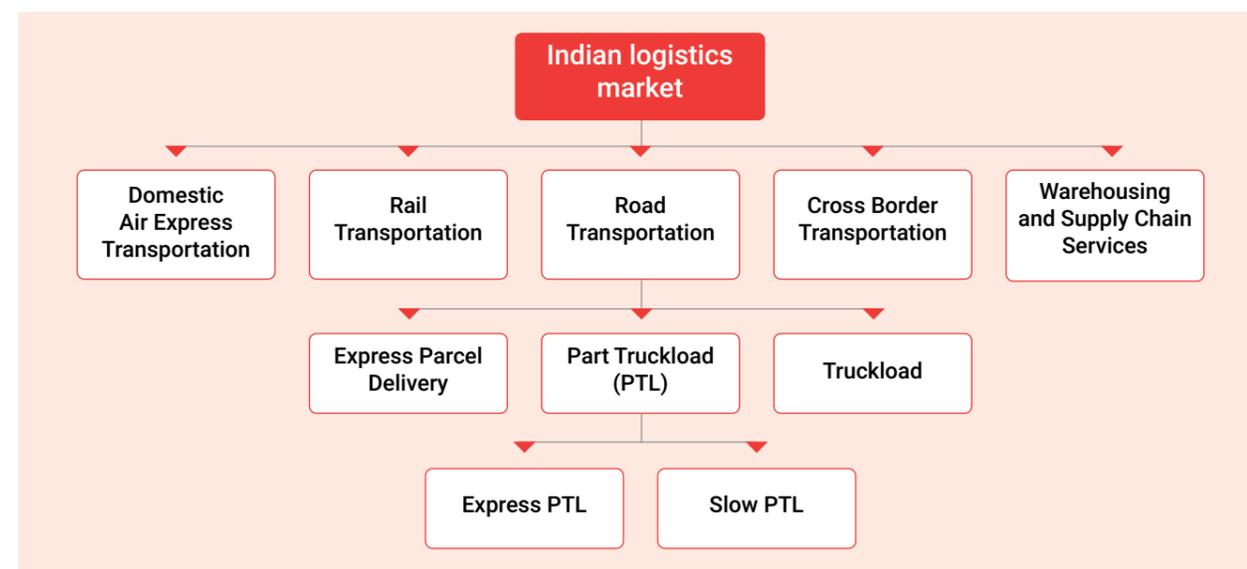
Global economy

FY23 began amidst an uncertain macroeconomic environment. The conflict in Ukraine and the concerted sanctions that followed on Russia, supplier of 10% of the world's energy, dampened growth, and strained supply chains around the world. Global economic growth was dealt another blow in FY23 when central banks of all major economies tightened their monetary policies due to the inflationary pressures. As a result, global economic growth is projected to fall from an estimated 3.5% in 2022 to 3.0% in 2023. Growth in emerging and developing Asian economies is expected to be 5.3% in 2023 and 5.0% in 2024.

Indian economy

India is one of the fastest growing economies and is expected to be among the top three economic powers in the world by 2035, supported by its demographics and strong fundamentals. India's GDP contracted by a record 6.6% during FY21 as the COVID-19 pandemic severely impacted the manufacturing and services sectors. However, the economy showed a V-shaped recovery in FY22 with the return of consumer confidence, robust financial markets and an uptick in manufacturing and exports. During FY23, India has demonstrated remarkable resilience in navigating global headwinds and registered a growth of 7.2% which was highest amongst the major economies. India's GDP was US\$3.4 trillion in 2022 and according to the target set by the government, GDP is expected to touch US\$5 trillion by 2025. The logistics and transportation sector will be one of the frontline sectors to benefit from the long run of economic upturn.

Industry structure and growth drivers



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

Global logistics industry overview

The global logistics market accounted for US\$7.98 trillion in 2022 and it is expected to grow to US\$18.23 trillion by 2030 at a noteworthy CAGR of 10.7% from 2023 to 2030.

The growth in the global logistics market will be primarily driven by the growth in online retail. Asia-Pacific is the leading regional market for logistics across the globe. The advancements in technology constituting automated material handling equipment, GPS, and biometrics are helping organisations and businesses to work efficiently, thereby stimulating the growth of the logistics market in the region.

India logistics industry overview

In India, the logistics sector accounts for 14.4% of the country's GDP, making it a significant player in the country's overall economic success. Over 22 million people rely on it for their livelihood. The logistics sector in India was valued at US\$382 billion in 2021, with the market estimated to increase to US\$531 billion by 2026, at a 6-7% y-o-y growth rate. India has jumped six places over last year to 38 out of 139 countries in the 7th edition of the Logistics Performance Index (LPI 2023) released by the World Bank. The Indian government aims to be among the top 25 countries by 2030.

In India, the logistics sector is dominated by transportation. At present, the road transportation sector has the largest share of around 60% of total cargo movement in terms of tonnage, followed by railways.

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

- Express Parcel:** Mainly composed of e-commerce shipments, speed post and document courier with individual parcel weight of less than 40 kg and turnaround time of less than three days.
- Part Truckload (PTL):** Domestic road transportation service with total shipment weight of 40-1,000 kg, which is insufficient to fill a full truck. Volumes from multiple shippers are therefore clubbed together at consolidation centres into full truckload prior to movement. PTL services can be further segmented into Express PTL, with turnaround times similar to Express Parcel and Economy PTL, with slower turnaround requirements.
- Truckload (TL):** Domestic road transportation service where the shipper requires a dedicated truck or trailer, typically moving directly from point of departure/origin to the point of destination.

Rail transportation: Rail transportation includes movement of shipments over public and private rail networks. India has the world's fourth largest rail network after the US, China, and Russia. Railways, after roadways, accounts for the second highest percentage of goods moved in terms of volume. It is one of the most cost-effective modes of bulk freight transportation for shipments like commodities (e.g. coal, iron ore, cement), agri products (e.g. fertilisers, food grains, mineral oil) and raw materials.

Domestic air express transportation: Domestic air express transportation includes movement of shipments using dedicated cargo aircraft or belly capacity on passenger flights. This is a significantly more expensive means of transportation used mainly for applications such as delivery of critical medical supplies like vaccines, time-sensitive products such as certain critical spare parts or for critical documents such as passports, banking documents etc. Despite being multiple times costlier than other modes, it remains a preferred mode for many product categories.

Cross-border transportation: Cross-Border transportation includes movement of shipments into and out of India either as individual parcels (courier) or freight. This may be carried either via air or sea. The international air cargo industry is highly organised due to the regulations of the International Air Transport Association (IATA). Further, sea freight movement is containerised and may be either Less than Container Load (LCL) or Full Container Load (FCL) in nature.

Supply chain services: Supply chain services represent integrated services (including two or more of warehousing, transportation and other value-added services such as packaging, kitting, labelling or technology services such as warehouse management and inventory management systems etc.). This is a more evolved and sophisticated

form of logistics service provided by specialised third-party providers and typically focused on specific industry verticals and at large enterprise customers with complex supply chain requirements. Warehousing market demand is driven by the growth in manufacturing, retail, FMCG, e-commerce and logistics sectors. Further, supportive government policies such as GST, easy clearances for land, 100% FDI, establishment of logistic parks/Multi-Modal Logistics Parks (MMLP) and Free Trade Warehousing Zones (FTWZ) are expected to be major drivers for the sector. Value-added/other services cover a range of activities such as customs clearing, packaging, inventory management, material handling, etc.

Key trends and factors driving growth and structural changes in the Indian logistics industry:

- Economic growth:** The IMF has projected a 6.1% and 6.3% growth rate for India in FY23 and FY24, respectively. The projected growth rate is higher than the growth rate estimated for other emerging and developing Asian countries. Increasing consumption and growth of various businesses are expected to be the major drivers of growth of the logistics industry in India.
- Rising consumer incomes and changing preferences:** India's per capita GDP reached US\$2,389 in 2022 as per World Bank. The middle-income segment with an annual household income range of US\$7,500-15,000 is projected to expand from ~27% to ~40% of the population in the next 5-years. In addition, over 50% of the population is currently under 30 years of age and digitally native, resulting in rapid growth in purchases of products and services online.
- New B2C commerce models:** In addition to e-commerce marketplaces, new models like social commerce, omni-channel commerce and direct-to-consumer (D2C) commerce continue to disrupt traditional retail models. Category expansion is also expected to drive growth with segments like consumer durables/white goods, home and furniture rapidly transitioning online. Overall, these structural changes in the consumption economy are expected to increase the demand for reliable logistics and drive the growth of organised logistics players.
- Evolving B2B business models:** The emergence of new distribution channels, new go-to-market strategies such as direct-to-retail (D2R) and direct-to-consumer (D2C) and government initiatives like Make in India and Production Linked Incentives are driving the need for greater speed, precision and visibility in traditional B2B supply chain operations.
- Demand for integrated services:** With the rollout of GST, enterprises are optimising supply chains for speed and efficiency instead of tax reasons. This shift towards a 'total-cost' approach is driving the demand for third-party players capable of providing integrated warehousing, transportation and technology solutions instead of a multitude of traditional mono line players. In addition, economic growth of Tier 2 cities and beyond is further driving the need for players with deep national capabilities.



Management Discussion and Analysis (Contd.)

- **Open Network for Digital Commerce (ONDC):** ONDC aims to increase the participation of SMEs and smaller retailers/kirana stores in the e-commerce ecosystem. Sellers will be able to directly integrate with national-scale logistics players via the ONDC platform, thereby driving up demand for their services.
- **Technology-led transformation:** The availability of new technology and business intelligence tools are enabling organised logistics companies to solve various problems such as truck utilisation, route consolidation, demand forecasting, facility and infrastructure placement, inventory management and fraud detection. In addition, hardware investments in automated parcel sortation systems, material conveyance systems, AGV/AMR systems, ASRS etc. along with wider penetration of warehouse management systems are improving operational throughput and precision, thereby lowering human errors and operating costs. The use of drones in the logistics sector has also gained momentum and is proving to be beneficial by enabling a wide range of applications.
- **Connected logistics:** Connected logistics is a set of interdependent communication devices and software that help in gaining real-time information about the goods that are shipped through various modes of transport. It shares relevant data and information related to logistics so as to smoothen the transportation process. Increase in the adoption of Internet of Things (IoT) technologies and sensor-based technologies such as RFID has contributed to boosting the connected logistics market. Further, there is a huge opportunity to leverage advanced connected logistics management on the upcoming 5G network in India. With ultra-high bandwidth, extremely low latency, massive capacity and increased government focus, 5G is expected to connect everything.
- **Eco-logistics:** Eco-logistics or green logistics involves the use of more eco-friendly and sustainable processes in order to reduce the environmental impact of logistics. The adoption of sustainable processes will be one of the vital trends for future growth. With India aiming to achieve net-zero emission across all sectors, logistics companies will have to reduce their carbon footprint.
- **Legal environment and government reforms:** Measures such as implementation of GST, Logistics Efficiency Enhancement Program, the increased pace of building expressway and highway infrastructure and reforms to axle load limits have directly benefited the logistics sector. Some of the other initiatives undertaken by the government are:
 - The government launched the national master plan 'PM Gati Shakti initiative', a multi-modal connectivity for all infrastructure projects pertaining to seven engines (roads, railways, airports, ports, mass transport, waterways, and logistic infrastructure). The government has identified 100 critical infrastructure projects for development in FY24 and has allocated US\$9 billion in the FY24 Union Budget. This infrastructure development is expected to result in a decrease in the

country's logistics cost and improve the ease of living and doing business in the country.

- Logistics cost in India has been about 14% of GDP against the global benchmark of 8%. In order to address the same, the government launched the National Logistics Policy (NLP) in September 2022. The targets for achieving the vision of the NLP are to (i) reduce the cost of logistics in India to be comparable to global benchmarks by 2030; (ii) improve the LPI ranking - endeavour is to be among the top 25 countries by 2030, and (iii) create a data-driven decision support mechanism for an efficient logistics ecosystem.
- In the Union Budget of 2023, the finance minister allocated US\$3.3 billion to the Dedicated Freight Corridor Corporation of India (DFCC). DFCCs are a network of broad-gauge freight railway lines, specifically meant to cater to freight trains. The allocated budget is expected to be used for activities such as track renewal, gauge conversion, and setting up new lines, which are expected to develop the freight infrastructure in the country.

These measures have facilitated fast and smooth flow of goods, reduced turnaround times and enabled logistics companies to invest in building large-scale and efficient infrastructure.

Key challenges ahead for logistics industry

- **Rising fuel prices:** Fuel accounts for a major portion of transportation costs for logistics service providers. The cost of diesel in India depends on international crude oil prices as India imports a majority of its fuel requirements. During July 2021 to July 2022, there were 76 instances where diesel prices were hiked as compared to 10 instances of price reduction. The fluctuating fuel prices can dramatically impact the logistics industry margins impacting each stakeholder in the value chain. Many logistics companies mitigate this risk by having customer contracts linked to fuel prices.
- **Truck driver shortage:** Many truck drivers find the profession unattractive due to the lack of security and safety, harsh working conditions, irregular working hours and a long time away from their families. With significant improvement in road infrastructure coupled with new technologies such as ADAS which ensure higher safety, the working conditions for the drivers are improving.
- **Reverse logistics cost:** India's e-commerce sector is growing at a rapid pace driven by increased consumer incomes and smartphone penetration. However, one major challenge in the e-commerce sector is the logistics cost. Customers may decide to return the product for various reasons. These reverse logistics result in numerous challenges pertaining to pick-up timings, on-time communication with pick up persons, packaging of products etc. Such activities add complexity to the operations and put an additional cost on the sellers thus affecting the potential growth of the logistics industry.

Financial performance

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

Particulars	₹ Mn	
	March 31, 2023	March 31, 2022
Revenue from contracts with customers	72,253.01	68,822.86
Other income	3,049.48	1,561.41
Total income	75,302.49	70,384.27
Freight, handling and servicing cost	56,694.80	49,801.80
Purchase of and change in inventory of traded goods	15.76	1,721.47
Employee benefit expense	14,000.34	13,132.65
Other expenses	6,058.19	5,889.23
Depreciation and amortisation expense	8,311.44	6,107.47
Finance costs	888.30	995.29
Fair value loss on financial liabilities at fair value through profit or loss	-	2,997.39
Share of profit/(loss) of associate (net)	135.74	(32.27)
Loss before tax	(10,530.60)	(10,293.30)
Tax expense	(452.81)	(183.30)
Loss for the year	(10,077.79)	(10,110.00)
Adjusted EBITDA¹	(4,038.66)	464.30

¹ Refer to Adjusted EBITDA section below for details

Revenue by service line

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

Particulars	March 31, 2023	% share	March 31, 2022	% share
Revenue from Express Parcel Services	45,522.22	63.00%	41,910.56	60.90%
Revenue from Part Truck load Services	11,565.38	16.01%	13,459.50	19.56%
Revenue from Truck load Services	4,362.17	6.04%	2,873.50	4.18%
Revenue from Supply Chain Services	7,817.47	10.82%	5,509.93	8.01%
Revenue from Cross Border Services	2,957.68	4.09%	3,182.68	4.62%
Revenue from Sale of Traded Goods	16.54	0.02%	1,876.63	2.73%
Others	11.55	0.02%	10.06	0.01%
Total Revenue from contracts with customers	72,253.01	100.00%	68,822.86	100.00%

Performance highlights

- Total income increased by 6.99% to ₹75,302.49 million for FY23 from ₹70,384.27 million for FY22. Revenue from customers increased by 4.98% to ₹72,253.01 million for FY23 from ₹68,822.86 million for FY22. FY23 operating volumes in Part Truckload services and the resultant overall financial performance were impacted due to certain challenges faced during H1 FY23 in relation to the integration of Spoton and Delhivery's networks.
- Revenue from Express Parcel services increased by 8.62% to ₹45,522.22 million for FY23 from ₹41,910.56 million for FY22. Express Parcel shipment volume increased by 13.93% to 663.4 million parcels for FY23 from 582.2 million parcels for FY22.
- Revenue from Part Truckload services decreased by 14.07% to ₹11,565.38 million for FY23 from ₹13,459.50 million for FY22. Freight volume decreased by 30.29% to 1,100,757 tonnes for FY23 from 1,579,096 tonnes for FY22 (pro forma for Spoton) due to certain challenges faced during H1 FY23 in relation to the integration of Spoton and Delhivery's networks. We acquired Spoton, a leading Part Truckload services provider in India, during FY22 and the financials of Spoton were consolidated with ours beginning on August 24, 2021.

- Revenue from Truckload services increased by 51.81% to ₹4,362.17 million for FY23 from ₹2,873.50 million for FY22.
- Revenue from Supply Chain services increased by 41.88% to ₹7,817.47 million for FY23 from ₹5,509.93 million for FY22.
- Revenue from Cross-Border services decreased by 7.07% to ₹2,957.68 million for FY23 from ₹3,182.68 million for FY22.
- Loss for the year decreased to ₹10,077.79 million for FY23 from ₹10,110.00 million for FY22.

Operating costs

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

Freight, handling & servicing costs

Our freight, handling and servicing costs increased by 13.84% to ₹56,694.80 million for FY23 from ₹49,801.80 million for FY22 due to an increase in Express Parcel volumes, network expansion and inflation. Despite continuous cost optimisation measures, our freight, handling and servicing



Management Discussion and Analysis (Contd.)

costs increased as a percentage of revenue from contracts with customers to 78.47% for FY23 from 72.36% for FY22 due to reduction in PTL revenue on account of certain challenges faced during H1 FY23 in relation to the integration of Spoton and Delhivery's networks.

Employee benefits expense

Our employee benefits expense increased by 6.61% to ₹14,000.34 million for FY23 from ₹13,132.65 million for FY22. The increase was on account of increase in our employee headcount and increments paid to existing employees. In order to reward high performance as well as to improve retention, 3,557 long-tenured last-mile delivery offroll personnel were converted to our full-time employees during FY23. Our employee benefits expense increased as a percentage of revenue from contracts with customers to 19.38% for FY23 from 19.08% for FY22.

Other expenses

Other expenses include expenses such as allowances for doubtful debts, travelling and conveyance, cash management service charges, software and technology expenses, repairs and maintenance etc. Other expenses increased by 2.87% to ₹6,058.19 million for FY23 from ₹5,889.23 million for FY22 due to an increase in our operating volumes. Other expenses decreased as a percentage of revenue from contracts with customers to 8.38% for FY23 from 8.56% for FY22.

Adjusted EBITDA

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

The below table provides a reconciliation of our Revenue from contracts with customers to adjusted EBITDA.

Particulars	March 31, 2023	March 31, 2022	Remarks
Revenue from contracts with customers	72,253.01	68,822.86	
Less: Freight, handling and servicing cost	56,694.80	49,801.80	
Less: Purchase of and change in inventory of traded goods	15.76	1,721.47	
Less: Employee benefits expense	14,000.34	13,132.65	
Less: Other expenses	6,058.19	5,889.23	
EBITDA	(4,516.08)	(1,722.28)	
Add: Share based payment expense	2,891.41	3,084.21	Accounting expenses towards ESOPs already granted
Add: One-time discontinued cost	-	1,784.00	One-time discontinued expense on account of certain employee payments
Add: IPO expense	164.77	-	IPO related non-operating expenses
Less: Actual lease rent paid	2,578.76	2,681.63	Actual cash rent paid on leased properties recognised under Ind AS 116
Adjusted EBITDA	(4,038.66)	464.30	
Adjusted EBITDA margin	(5.59)%	0.67%	

Our adjusted EBITDA was impacted adversely during FY23 on account of certain challenges faced during H1 FY23 in relation to the integration of Spoton and Delhivery's networks. Our adjusted EBITDA turned positive during Q4 FY23, underlining the significant operating leverage in our business.

Other costs

Depreciation and amortisation expense

Our depreciation and amortisation expense increased by 36.09% to ₹8,311.44 million for FY23 from ₹6,107.47 million for FY22, primarily due to an increase in tangible assets on account of network and fleet expansion, full year impact of amortisation of Spoton assets in FY23 which was only for the partial period in FY22 and accelerated amortisation of intangible assets e.g. vendor relationships and intellectual property acquired from Spoton.

Finance cost

Our finance cost decreased by 10.75% to ₹888.30 million for FY23 from ₹995.29 million for FY22, primarily due to reduction in availed banking facilities and decrease in interest on lease liabilities during FY23.

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

We had a non-cash fair value loss on financial liabilities at fair value through profit or loss of ₹2,997.39 million for FY22, primarily due to an increase in the fair market value of CCPS as per the terms of these CCPS in accordance with Ind AS 109 and Ind AS 32 accounting standards. This did not affect the Company's cash flows. All CCPS were converted to equity shares during FY22 and therefore we did not have this expense in FY23.

Our quarterly profitability trends vary during the fiscal year, with Q1 and Q2 profitability typically impacted by investments that we undertake in capacity addition as well as by inflationary impact on input costs e.g. increase in employee wage costs due to annual increments, annual increase in rentals etc. Q3 and Q4 profitability is typically higher, with capacity additions of Q1 and Q2 getting better utilised as volumes grow through the year. Q3 and Q4 profitability is also aided by the seasonality underlying our businesses. Q3 is typically the period in which our major Express Parcel customers undertake festive sales and Q4 is typically the period in which our Part Truckload customers experience high volumes due to fiscal year-end.

Key financial ratios

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

	March 31, 2023	March 31, 2022	
Adjusted EBITDA Margin (operating profit margin)	(5.59)%	0.67%	Adjusted EBITDA margin is a measure of a company's operating profit, excluding any non-cash or non-recurring operating costs, as a percentage of its revenue. Our adjusted EBITDA margin reduced by 626 bps from FY22 to FY23 due to certain challenges faced during H1 FY23 in relation to the integration of Spoton and Delhivery's networks. Please Refer to the Adjusted EBITDA section above for details.
Profit After Tax Margin	(13.38)%	(14.36)%	Profit After Tax margin is a measure of a company's net profit as a percentage of its total income. Our Profit After Tax margin increased by 98 bps in FY23 primarily on account of (i) reduction in certain non-cash, non-recurring costs such as fair value loss on financial liabilities through profit or loss, (ii) one-time payment to employees in FY22 and (iii) increase in other income.
Debt-Equity Ratio	0.02	0.06	Debt-Equity Ratio is a measure of a company's financial leverage, calculated as division of total borrowings by its total shareholders' equity. Our Debt-Equity Ratio improved in FY23 on account of increase in equity share capital base of our Company as a result of primary capital raised through an initial public offering during FY23.
Receivables Turnover Ratio	7.47	8.69	Receivables Turnover is a measure of a company's effectiveness in collecting receivables from its customers and is calculated by dividing total revenue by average trade receivables. The Receivables Turnover Ratio reduced during FY23 primarily due to reduction in revenue from Part Truckload Services.
Current Ratio	5.42	2.63	Current Ratio is a measure of a company's ability to meet its short-term obligations and is calculated by dividing current assets by current liabilities. Our Current Ratio improved during FY23 due to a 75.48% increase in current assets on account of increase in cash & equivalents, other bank balances and other financial assets and a 14.70% reduction in current liabilities on account of decrease in borrowings, trade payables and other current liabilities.
Return on Networth	(13.32)%	(22.99)%	Return on Networth is a measure of a company's profitability and is calculated by dividing the Profit After Tax of the company by average shareholders' equity. The change in Return on Networth from FY22 to FY23 was primarily because our networth increased in FY23 to ₹91,771.37 million from ₹59,573.69 million in FY22 on account of an increase in equity share capital base of our Company as a result of primary capital raised through an initial public offering during FY23.
Inventory Turnover Ratio	NA	NA	Inventory Turnover is a measure of a company's effectiveness in converting its inventory into sales and is calculated by dividing total revenue by average inventory. Since we are a services Company and do not manufacture goods for sale, our inventory comprises items for internal consumption in our operations and is not raw materials inventory for production or finished goods inventory for sale, the Inventory Turnover Ratio is not applicable to us.
Interest Coverage Ratio	NA	NA	Interest Coverage Ratio is a measure of a company's ability to meet its interest obligations on its outstanding debt from its Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and is calculated by dividing EBITDA by interest expense. We had an EBITDA loss for FY23 and FY22 and therefore the Interest Coverage Ratio is not meaningful. However, our finance costs were ₹888.30 million and ₹995.29 million for FY23 and FY22 respectively, while we had cash, cash equivalents and investments of ₹55,083.02 million as at end of FY23 and ₹25,123.51 million as at end of FY22.

Capital expenditure

We operate an asset-light business model wherein we extend our logistics services by enabling network partners such as fleet owners, franchisees, retail partners and delivery agents to provide us access to their physical assets and resources such as infrastructure and fleet. Therefore, we do not incur any capital expenditure towards ownership of real estate and own only a portion of the fleet that is deployed in our network. Our capital expenditure is focused towards investing in fit-out infrastructure, state-of-the-art (a major share of it is in our integrated mid-mile) automation and IT assets and tractor-trailers. Automation includes parcel sorter systems, bag sortation systems, conveyance

systems and future-ready technologies such as automatic guided vehicles, automatic storage and retrieval systems and unmanned aerial vehicles. Such investments enable us to achieve further speed, efficiency and precision in our operations. The investments in capacity i.e. building the right infrastructure and automation are done to ensure we are able to capture multiple growth opportunities that the market presents us in the near future.

During FY23, we capitalised ₹5,703.77 million of property, plant and equipment and intangible assets, excluding additions through acquisition and excluding any disposals. Capital work in progress was ₹215.28 million and intangible assets under development were ₹19.44 million as at end of FY23.



Management Discussion and Analysis (Contd.)

Some of the major capital expenditure projects we undertook during FY23 include:

- Commenced installation of our largest box sorter at our upcoming new mega gateway at Bhiwandi to automate freight handling in our operations. This sorter will also be the first to automate outbound truck loading for high-volume contributing connections. The new Bhiwandi gateway is expected to go live during FY24 and will be our largest gateway, spread across 0.67 million sq.ft.
- Commissioned at Tauru gateway, our first fully automated box sorter to automate freight handling (sorting and intra-facility movement) in our operations
- Commissioned four new cross-belt sorters to augment Express Parcel sorting capacity in our network
- Commissioned twelve new Fulfilment Centres across multiple locations pan India with an area footprint of 0.87 million sq.ft.
- Commissioned pallet racking and multi-tier shelving systems in our Fulfilment Centres at multiple locations to increase inventory storage capacity
- Deployed 96 tractors (46 ft.) and 426 trailers to further increase the share of trailer capacity in our linehaul network

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

Inorganic investments

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

During FY23, we undertook following acquisitions and investments:

- We acquired a minority stake in BoxSeat Ventures Private Limited, to scale-up fulfilment services for D2C sellers and brands
- We acquired Algorithym Tech Private Limited, a supply chain software company, to enhance our Supply Chain Solutions offering with value added services and also drive cost optimisation in service delivery

Liquidity

We continue to remain extremely well capitalised, which we believe, is a significant competitive advantage in a high-growth logistics market like India. We raised net proceeds of ₹38,703 million through an initial public offering in May, FY23 which significantly enhanced our liquidity position. A significant portion of our cash is invested in low risk treasury investments such as fixed deposits, debt mutual funds, debentures and bonds. We had cash of ₹55,083.02 million as at end of FY23 which included cash & cash equivalents, bank balances, investments, margin money deposits and deposits with original maturity of >12 months. We will continue to deploy our cash for organic and inorganic growth in our business.

Borrowings

We have availed borrowings from financial institutions for purchase of vehicles, for our working capital requirements and for general corporate purposes. We had outstanding borrowings of ₹1,988.74 million as at the end of FY23. Our Debt-Equity Ratio was 0.02 as at the end of FY23.

Corporate Social Responsibility (CSR)

We undertook CSR activities on voluntarily basis during FY 2022-23 though we were not mandatorily required to spend any amount on CSR activities during FY 2022-23 in view of absence of profits during three immediately preceding financial years. We contributed ₹10.00 million towards Olympic Gold Quest, which is an initiative under the Foundation for Promotion of Sports and Games. Refer to the annexure-5 of the Director's report for more details on our Company's CSR activities.

Risks/threats to the industry and our business

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

1. Political, macroeconomic and demographic changes could adversely affect economic conditions in India thus impacting the logistics industry. Since we derive a majority of our revenue from contracts with customers in India, such risks may impact our earnings.
2. Natural disasters, epidemics, pandemics, acts of war, geo-political tensions, terrorist attacks and other events could materially and adversely impact the industry and hence our business.
3. Any deficiency in India's road network and telecommunication, internet, air cargo and airport infrastructure could impact the functioning of our business operations and technology systems.
4. Changes in the taxation system in India could adversely impact our business, impacting our cash flows and financial condition.
5. Rising fuel prices and inflationary pressures on wages and assets can impact our cash flows and profitability.
6. Inability to attract and retain suitably qualified and skilled employees, labour unrest or union activities, increase in the costs of labour or failure to comply with applicable labour laws could negatively affect our operations and earnings.
7. Any disruption to our logistics and transportation facilities could have an impact on our business operations and hence our cash flows.
8. Reliance on partners and other third parties for certain aspects of our business such as first-mile, mid-mile, last-mile services, contractual manpower, fleet etc. poses additional risks to our operations and financial condition.
9. As our proprietary technology infrastructure is critical to our operations, any disruptions to our technology infrastructure could impact our business operations.
10. Although we continue to diversify our customer base, e-commerce customers contribute a significant portion of our volume and revenue. Accordingly, our business growth is significantly correlated with the growth of e-commerce and more generally, commerce, in India.

11. Due to the nature of the industry, a significant portion of our business is driven by a few large customers across multiple services they obtain from us. Their future actions may have an adverse impact on our business.

Internal control systems

A robust framework of internal controls has been documented and implemented across our business processes to facilitate efficient business operations and achieve our compliance and reporting objectives. Our internal control systems are commensurate with the nature of our business and the size and complexity of our operations. The Audit Committee, composed of Independent and Non-Executive Directors, regularly reviews significant audit findings, adequacy of internal controls, audit plans, reasons for changes in accounting policies and practices, if any, and monitors the implementation of audit recommendations. Design and operating effectiveness of controls are tested by the management annually with the support of external consultants and later audited by the statutory auditors. Control testing is carried out as per the Guidance 'Note on Audit of Internal Financial Controls over Financial Reporting' issued by the Institute of Chartered Accountants of India (ICAI). The Company's internal control system is further supplemented by an internal audit carried out by PricewaterhouseCoopers Services LLP, a third-party internal audit firm. Internal auditors ensure that preventive and detective controls are embedded in all the business processes. Significant audit observations and follow-up actions thereon are reported to the Audit Committee. In line with our commitment to robust corporate governance and statutory compliances, the Company maintains a stringent framework adhering to legal requirements and implementing best governance practices and upholding ethical practices. Comprehensive details pertaining to corporate governance and statutory compliance can be found in the Directors' Report and Corporate Governance Report sections.

Development in human resources

We undertook a host of initiatives through FY23 to ensure that the work environment fosters high performance, inclusivity, respect, empathy, and provides opportunities for growth and development.

We increased the headcount of women employees by 14.4% across functions and positions. We identified specific roles that presented opportunities to enhance gender diversity and made a concerted effort to increase the ratio of women in these teams.

The Delhivery Skills Development Programme (SDP) was launched to provide freshers and first-time job seekers across the country an opportunity to start a career in logistics with Delhivery. After a detailed assessment and four weeks of rigorous classroom and practical trainings across Delhivery facilities, we rolled out offers for full-time permanent employment to the successful candidates.

We conducted regular town halls and all-hands meetings to ensure transparent communication and a steady stream of two-way communication between the employees and the leadership of the organisation. The FY23 annual employee

engagement survey provided an opportunity to understand the pulse of the organisation and we undertook steps to address the feedback received. We launched a Rewards and Recognition program to foster a culture of appreciation across the organisation. The well-being of our employees has always been a key focus area at Delhivery. We launched multiple initiatives this year across our operational facilities and corporate offices focussing on mental health as well as physical wellness.

Under the aegis of the Delhivery Academy, we continued to enable our employees to develop the knowledge, skills and abilities needed for continued growth and success in their roles. Depending on operational requirements and business priorities, employees were put through different types of training modules. We successfully moved a significant number of employees through Internal Job Postings, giving employees an opportunity to develop across roles and enhance their career journeys.

These initiatives are detailed further as part of the 'Our People' section of this Annual Report.

Accounting treatment following NCLT Order

Pursuant to Scheme of Arrangement ('the Scheme') between Vankatesh Pharma Private Limited ('the transferor company') and Spoton Logistics Private Limited ('the Transferee company' which is a wholly-owned subsidiary of Delhivery Limited) and their respective shareholders under section 230 to 232 read with Section 66 of the Companies Act, 2013 ('the Act') and the rules made thereunder, Spoton Logistics Private Limited had amalgamated with Venkatesh Pharma Private Limited under the Scheme of Arrangement approved by NCLT on November 27, 2019 under the provisions of the Companies Act, 2013. Accordingly, the Scheme was accounted for in accordance with erstwhile applicable Accounting Standard 14 'Accounting for Amalgamations'. Goodwill arising from Business Combinations has been amortised over a period of five years in accordance with method as prescribed under NCLT scheme, which overrides the relevant requirements of Ind AS 103 'Business Combinations' and Ind AS 36 'Impairment of assets' (according to which acquired Goodwill is not permitted to be amortised and is required to be tested annually for impairment). The aforesaid treatment has been disclosed in the Note 35 (1) (c) to the audited consolidated financial results of the Company.

Cautionary statement

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



Corporate Governance Report

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

Company's Philosophy on Corporate Governance

Transparency, professionalism, and accountability are the cornerstone of your Company's Corporate Governance framework. By adhering to these principles, we aim to foster goodwill among all our stakeholders, including customers, employees, business partners, suppliers and shareholders. Furthermore, we recognise that maintaining high standards of Corporate Governance not only earns respect from society but also paves the way for consistent and sustainable growth for your company and its investors.

As an organisation, your Company is unwavering in its commitment to operate with the utmost ethics and integrity. Your Company continuously strives to adopt and implement the best practices of Corporate Governance, while consistently seeking opportunities to enhance these practices. In doing so, the efforts are focused on two key principles: enhancing the effectiveness of your Board of Directors in providing strategic guidance to your Company, and enhancing the quality of information and communication with all stakeholders.

Your Company's Corporate Governance practices fully comply with the norms prescribed under the SEBI Listing Regulations. Your Company diligently adheres to all the applicable provisions of these regulations, ensuring that the governance framework is in line with the highest standards of integrity and transparency.

Governance Policies

Your Company is committed to conducting its business operations in a manner that is dignified, distinctive, and responsible. Upholding the highest ethical standards, the Company prioritises integrity, transparency, independence, and accountability in all its interactions with stakeholders.

To ensure the consistent implementation of these principles, your Company has adopted and established several Codes and Policies within the organisation. These Codes and Policies serve as guiding frameworks, enabling it to carry out all the functions in an ethical and responsible manner. Some of the Codes and Policies that have been adopted by the Company are as follows:

- Code of Conduct for Board of Directors, KMP and Senior Management;
- Code of Conduct for Prohibition of Insider Trading and Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information;
- Supplier Code of Conduct
- Policy on Materiality of Related Party Transactions;
- Policy on Corporate Social Responsibility;
- Policy for Determination of Material Subsidiaries;
- Policy for Determination of Materiality of Events or Information;

- Policy on Nomination, Remuneration & Evaluation (For Directors & KMP) which includes familiarisation and diversity;
- Policy on Vigil Mechanism/ Whistle-Blower;
- Policy on Preservation & Archival of Documents;
- Policy on Risk Management;
- Policy on Dividend Distribution;
- Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace;
- Information Security Management System Policy;
- Sustainable Sourcing Policy;
- Equal Employment Opportunity;
- Human Rights Policy;
- Community Grievance Redressal Policy;
- Health Safety and Environment Policy; and

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

Code of conduct

Your Company has adopted the Code of Conduct ('Code') for its Board of Directors, KMP, and Senior Management as per SEBI Listing Regulations. The Code can be accessed at your Company's website at <https://www.delhivery.com/company/investor-relations>.

Your Company has received confirmations from all its Directors, KMP, and Senior Management regarding their compliance with the Code. **Annexure 1**, attached to this report, contains a declaration signed by Mr. Sahil Barua, Managing Director and Chief Executive Officer, confirming the compliance.

Your Company is committed to upholding the highest ethical standards and promoting transparency and accountability.

Board of Directors

Your Company believes that an active, well-informed, and independent Board is essential to uphold the highest standards of Corporate Governance. As a professionally managed company, the Company operates with a dedicated Board of Directors supported by the Managing Director and Chief Executive Officer, Executive Directors, Key Managerial Personnel, and Senior Management Personnel. Together, they diligently discharge their fiduciary duties to ensure the best interests of all stakeholders.

The Board of Directors of your Company consists of professionals from diverse backgrounds with skills, experience, and expertise in the areas like leadership and general management, technology, strategic planning, finance and accounts etc. The brief profile of the Directors is available on the website of the Company at <https://www.delhivery.com/company/investor-relations>. The Board provides strategic guidance and oversight to the Executive Management, ensuring that they serve and protect the long-term interests of all valued stakeholders. Delhivery is

committed to achieve compliance with all relevant laws, regulations, governance practices, as well as secretarial, accounting, and auditing standards. Additionally, the Board proactively identifies key risk areas and monitors essential performance indicators to ensure the sustained success of its business.

Size and Composition of the Board

The size and composition of the Board of Directors of the Company comply with the Corporate Governance norms as stipulated under the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 (“Act”).

As on March 31, 2023, the Board consisted of ten (10) members, comprising the following:

One (1) Non-Executive and Independent Director serving as Chairperson.

One (1) Non-Executive Independent Woman Director.

Three (3) Non-Executive Independent Directors.

Two (2) Non-Executive Directors.

Three (3) Executive Directors.

Your Company is a professionally managed company and does not have an identifiable Promoter. In line with corporate governance principles, all the Committees of the Board are led by Independent Directors.

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

Name of the Director & DIN (During FY 2023)	Designation & Category	No. of directorship in other Public Companies ¹	No. of Board Committee positions in other Public Companies ²		Name of the other Listed Entities wherein our directors are a Director and Category of such Directorship as on March 31, 2023	No. of shares held in the Company as on March 31, 2023
			Chairperson	Member		
Non-Executive Independent Directors						
Mr. Deepak Kapoor (DIN: 00162957)	Non-Executive Independent Director – Cum – Chairperson of the Board	3	2	3	Tata Steel Limited (Non-Executive Independent Director) HCL Technologies Limited (Non-Executive Independent Director)	100,000
Mr. Srivatsan Rajan (DIN: 00754512)	Non-Executive Independent Director	-	-	-	-	155,000
Mr. Saugata Gupta (DIN: 05251806)	Non-Executive Independent Director	2	-	2	Marico Limited (Managing Director & Chief Executive Officer) Ashok Leyland Limited (Non-Executive Independent Director)	-
Mr. Romesh Sobti (DIN: 00031034)	Non-Executive Independent Director	2	-	1	Aditya Birla Capital Limited (Non-Executive – Nominee Director) Adani Green Energy Limited (Non-Executive Independent Director)	-
Ms. Aruna Sundararajan (DIN: 03523267) ³	Non-Executive Independent Director	3	-	3	Info Edge (India) Limited (Non-Executive Independent Director)	-
Ms. Kalpana Jaisingh Morparia (DIN: 00046081) ⁴	Non-Executive Independent Director	2	2	1	Dr. Reddy's Laboratories Limited (Non-Executive Independent Director) Hindustan Unilever Limited (Non-Executive Independent Director)	-
Executive Directors						
Mr. Sahil Barua (DIN: 05131571)	Managing Director and Chief Executive Officer	-	-	-	-	13,002,798
Mr. Sandeep Kumar Barasia (DIN: 01432123)	Executive Director and Chief Business Officer	1	-	-	-	4,210,955
Mr. Kapil Bharati (DIN: 02227607)	Executive Director and Chief Technology Officer	-	-	-	-	6,872,119
Non-Executive Directors						
Mr. Suvir Suren Sujaan (DIN: 01173669) ⁵	Non-Executive Director	-	-	-	-	-
Mr. Donald Francis Collieran (DIN: 09431299) ⁶	Non-Executive Director	-	-	-	-	-



Corporate Governance Report (Contd.)

Name of the Director & DIN (During FY 2023)	Designation & Category	No. of directorship in other Public Companies ¹	No. of Board Committee positions in other Public Companies ²		Name of the other Listed Entities wherein our directors are a Director and Category of such Directorship as on March 31, 2023	No. of shares held in the Company as on March 31, 2023
			Chairperson	Member		
Non-Executive Nominee Directors						
Mr. Agus Tandiono (DIN: 08577542) ⁷	Non-Executive Nominee Director – nominated by Canada Pension Plan Investment Board (Equity Investor)	-	-	-	-	-
Mr. Munish Ravinder Varma (DIN: 02442753) ⁸	Non-Executive Nominee Director – nominated by SVF Doorbell (Cayman) Ltd (Equity Investor)	-	-	-	-	-

Notes:

- ¹ Includes Directorships in Indian Public Companies (whether listed or not) excluding Delhivery Limited, Section 8 Companies and alternate directorships.
- ² Includes only Audit Committee and Stakeholders' Relationship Committee in all Indian Public companies (whether listed or not) excluding Delhivery Limited and Section 8 Companies.
- ³ Ms. Aruna Sundararajan was appointed as Non-Executive Independent Director for a period of 5 years w.e.f. July 08, 2022.
- ⁴ Ms. Kalpana Jaisingh Morparia ceased to be a Director w.e.f. February 11, 2023, due to her resignation on account of pre-occupation. The details presented in the table are based on the information available as of the date of cessation.
- ⁵ Mr. Suvir Suren Sujaan, was redesignated from Non-Executive Nominee Director to Non-Executive Director of the company w.e.f. May 24, 2022. Further, Mr. Suvir, ceased to be a Director w.e.f. August 24, 2023, due to his resignation on account of pre-occupation and other commitments.
- ⁶ Mr. Donald Francis Colleran, was redesignated from Non-Executive Nominee Director to Non-Executive Director of the company w.e.f. May 24, 2022. Further, Mr. Colleran, retires by rotation in the ensuing AGM but has expressed his unwillingness to be re-appointed due to his present & upcoming commitments elsewhere.
- ⁷ Mr. Agus Tandiono ceased to be Director w.e.f. April 8, 2022, due to personal reasons.
- ⁸ Mr. Munish Ravinder Varma ceased to be a Director w.e.f. June 29, 2022 due to personal reasons.

Additionally, Mr. Anindya Ghose (DIN: 10243913) was appointed as an Additional Director under the category of Independent Director of the company for a term of five years with effect from August 04, 2023, subject to the approval of members in the ensuing 12th AGM.

Board's Independence

The Board of your Company comprises the optimum number of Independent Directors as per the applicable laws and regulations. In the opinion of the Board and based on the declarations received, all the Non-Executive Independent Directors fulfill the conditions under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, and that they are independent of the management.

Pursuant to Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstances or situations that could impair or impact their ability to discharge their duties.

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

Board Meetings

Board Support

The Company Secretary and Compliance Officer is entrusted with crucial responsibilities, including the collation, review, and distribution of all documents submitted to the Board and its Committees for consideration. He works closely

with the Managing Director, Chief Executive Officer, and the Chairperson of your Company to prepare the meeting agendas and ensure the smooth functioning of Board and Committee meetings. His presence is instrumental in ensuring that the Board and Committees adhere to compliance and governance principles.

The Company Secretary and Compliance Officer attend all meetings of the Board and its Committees, offering valuable advice and assurance to the Board regarding compliance matters and governance principles.

Recording Minutes of proceedings of Board and Committee meetings

The Company Secretary and Compliance Officer play a vital role in ensuring the accurate recording of minutes of proceedings during each meeting of the Board and its Committees. He adheres to the relevant provisions of the Act, coupled with the Secretarial Standards issued by the Institute of Company Secretaries of India, to ensure proper documentation and compliance.

Post meeting follow-up mechanism

The guidelines for Board and Committee meetings facilitate an effective post-meeting follow-up, review, and reporting process for decisions made by the Board and its Committees thereof.

The guidelines ensure that important decisions taken at Board and Committee meetings are promptly communicated to the relevant departments within the organisation. This ensures that the necessary actions are taken in a timely manner to implement these decisions.

Furthermore, an action-taken report, if applicable, along with the minutes of the previous meeting(s), is presented at subsequent meetings of the Board and Committees. This allows for a comprehensive review of the progress made on the decisions taken and provides an opportunity for further suggestions and inputs from the Board and Committee members.

Scheduling of Board Meetings

The schedule of Board Meetings for each financial year is planned well in advance and communicated to all Members of the Board. As per the governance practices, the Board meets at least once a quarter to review the quarterly, half-yearly, and annual financial results, as well as other pertinent agenda items. Additional meetings are convened as and when required to address specific matters of importance.

The Committees of the Board usually meet a day before or on the day of the formal Board meeting, or whenever the need arises for transacting respective business. The recommendations of the Committees are presented to the Board for updates and necessary approvals, as required by our governance framework. The Chairperson(s) of the

respective Committees provide a comprehensive briefing to the Board, highlighting the discussions and outcomes of the Committee meetings.

Selection of agenda items for Board Meetings

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

The Board meetings are conducted at the Corporate Offices located at Gurugram, Mumbai, Goa or other locations where your Company operates, ensuring convenient access for all Board Members.

No. of Board Meetings

Your Company floated an Initial Public Offering (IPO) of its Equity Shares during FY23. To address matters related to the IPO process and various other important decisions, a total of nine (09) Board Meetings were held. These meetings took place on the following dates: April 30, 2022, May 04, 2022, May 14, 2022, May 30, 2022, August 08, 2022, August 22, 2022, November 11, 2022, December 19, 2022, and February 02, 2023. It is worth noting that the time gap between any two Board meetings during the year did not exceed one hundred and twenty (120) days. Additionally, the requisite quorum was present for all meetings, ensuring effective decision-making.

Table B: Attendance of Directors at Board Meetings during FY2023 and last Annual General Meeting (AGM) is as under:

Sl. No.	Name of the Director	Attendance in FY23	
		Board Meetings attended and held during tenure	Last AGM held on September 29, 2022
1.	Mr. Deepak Kapoor (Chairperson & Non-Executive Independent Director)	08/09	Yes
2.	Mr. Srivatsan Rajan (Non-Executive Independent Director)	08/09	Yes
3.	Mr. Saugata Gupta (Non-Executive Independent Director)	09/09	Yes
4.	Mr. Romesh Sobti (Non-Executive Independent Director)	08/09	Yes
5.	Ms. Aruna Sundararajan (Non-Executive Independent Director) ¹	05/05	Yes
6.	Ms. Kalpana Jaisingh Morparia (Non-Executive Independent Director) ²	08/09	Yes
7.	Mr. Sahil Barua (Managing Director & Chief Executive Officer)	09/09	Yes
8.	Mr. Sandeep Kumar Barasia (Executive Director & Chief Business Officer)	08/09	Yes
9.	Mr. Kapil Bharati (Executive Director & Chief Technology Officer)	09/09	Yes
10.	Mr. Suvir Suren Sujaan (Non-Executive Director)	09/09	Yes
11.	Mr. Donald Francis Colleran (Non-Executive Director)	07/09	No
12.	Mr. Agus Tandiono (Non-Executive Nominee Director) ³	NA	NA
13.	Mr. Munish Ravinder Varma (Non-Executive Nominee Director) ⁴	02/04	NA

Notes:

- ¹ Ms. Aruna Sundararajan was appointed as Non-Executive Independent Director for a period of 5 years w.e.f. July 08, 2022.
- ² Ms. Kalpana Jaisingh Morparia ceased to be a Director w.e.f. February 11, 2023, due to her resignation on account of pre-occupation.
- ³ Mr. Agus Tandiono did not attend the board meeting as he ceased to be Director w.e.f. April 8, 2022, due to personal reasons. The cessation was effective before the first board meeting of FY23.
- ⁴ Mr. Munish Ravinder Varma ceased to be a Director w.e.f. June 29, 2022 due to his resignation on account of personal reasons.



Corporate Governance Report (Contd.)

Inter-se Relationship among Directors

The directors of your Company are not related to each other in anyway.

Selection of New Directors and Board Membership Criteria

The Nomination and Remuneration Committee of the Board ("NRC") plays a vital role in formulating and recommending to the Board the necessary qualifications, positive attributes, characteristics, skills and experience required for the Board as a whole, as well as its individual members. The objective is to ensure that the Board comprises individuals with diverse backgrounds and experience in key areas such as business leadership, strategy, operations, technology, finance & accounts, governance, and government/regulatory affairs.

The NRC focuses on creating a well-rounded and effective Board by assessing the desired skills and expertise needed to drive your Company's growth and success. This approach helps to maintain a balanced and competent Board that

can provide strategic guidance and oversight in a dynamic business environment.

Furthermore, the Policy for appointment and removal of Directors and determining Directors' independence is available on the website of your Company at <https://www.delhivery.com/company/investor-relations>. This policy outlines the framework and criteria used to evaluate potential Directors and assess their independence, ensuring that the highest standards of corporate governance are upheld.

Key Board Qualifications, Expertise and Attributes

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

Table C: Director skills, expertise, competencies and attributes desirable in Company's business and sector in which it functions for the period April 01, 2022 to March 31, 2023

	Areas of Skills/ Expertise/ Competence						
	Leadership	Strategy	Operations	Technology	Finance & Accounts	Governance	Government/ Regulatory Affairs
Mr. Deepak Kapoor	✓	✓	✓	✓	✓	✓	✓
Mr. Srivatsan Rajan	✓	✓	✓	✓	✓	✓	✓
Mr. Saugata Gupta	✓	✓	✓	✓	✓	✓	✓
Mr. Romesh Sobti	✓	✓	✓	✓	✓	✓	✓
Ms. Aruna Sundararajan	✓	✓	-	✓	✓	✓	✓
Mr. Sahil Barua	✓	✓	✓	✓	✓	✓	✓
Mr. Sandeep Kumar Barasia	✓	✓	✓	✓	✓	✓	✓
Mr. Kapil Bharati	✓	✓	✓	✓	✓	✓	✓
Mr. Suvir Suren Sujan	✓	✓	✓	✓	✓	✓	✓
Mr. Donald Francis Colleran	✓	✓	✓	✓	✓	✓	✓

Familiarisation Programme for Directors (including Independent Directors)

As part of the best practices, all new Directors, including Independent Directors, who join the Board, undergo a formal orientation program. This program aims to provide them with a comprehensive understanding of your company, its operations, and its governance structure as well.

During the induction program, the Directors are encouraged to visit the facility locations, where they have the opportunity to interact with members of the Senior Management team. These engagements facilitate an exchange of insights and ideas, allowing the Directors to gain valuable first hand knowledge of the strategy, operations, products, markets, group structure, and subsidiaries.

The Senior Management team plays a pivotal role in this program by conducting presentations that provide an overview of your company's strategy, operations, and risk management strategies. These presentations also

cover important aspects such as the Board constitution and guidelines, matters reserved for the Board, and the major risks and risk management strategy. By sharing this information, this ensures that the Directors develop a deep understanding of your company, its people, values, and culture, enabling them to actively participate in overseeing the performance of our management.

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

Separate Meeting of Independent Directors

Pursuant to Schedule IV of the Act read with Regulation 25 of SEBI Listing Regulations, the Independent Directors convened separate meetings on May 04, 2022 and March 29, 2023. These meetings were conducted without the presence of Non-Independent Directors and members of the management.

During these sessions, the Independent Directors assessed and reviewed the following:

- the quality, quantity, and timeliness of the flow of information between the management and the Board. This evaluation aimed to ensure that the Board receives the necessary information to perform their duties effectively and reasonably.
- performance of Non-Independent Directors and Board as a Whole.
- performance of the Chairman of the Company, taking into account the views of Non-Executive and Executive Directors.

Independent Directors who resigned during the FY 2022-23 and reasons thereof

Ms. Kalpana Jaisingh Morparia has resigned from the office of Independent Director of the Company w.e.f. February 11, 2023, which is before the expiry of her tenure due to her preoccupation. She further confirmed that there were no other material reasons for her resignation, other than that as mentioned aforesaid.

Succession Planning

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

Committees & its Meetings

During FY23, the Board has 7 (seven) Committees, namely:

- Audit Committee;
- Nomination and Remuneration Committee;
- CSR & Sustainability Committee;
- Stakeholders' Relationship Committee;
- Risk Management Committee;
- IPO Committee (dissolved w.e.f. May 24, 2022);
- Merger and Amalgamation ("M&A") Committee (dissolved w.e.f. August 04, 2023).

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

Audit Committee ("AC")

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

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

- Oversight of the financial reporting process and disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible.
- Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee.
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
- Evaluation of internal financial controls and risk management systems
- Reviewing the compliances of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
- Carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/ or as provided under the Companies Act, 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

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

During FY23, 5 (five) meetings of the Committee were held, i.e. on May 28, 2022, August 08, 2022, August 22, 2022, November 10, 2022 and February 09, 2023.

Table D: The composition of the Audit Committee and the attendance details of the members during FY23 is given below:

Name of the Members	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Romesh Sobti (Chairperson)	Non-Executive Independent Director	5	5
Mr. Srivatsan Rajan	Non-Executive Independent Director	5	5
Ms. Aruna Sundararajan ¹	Non-Executive Independent Director	2	2
Mr. Suvir Suren Sujan ²	Non-Executive Director	5	5
Mr. Agus Tandiono ³	Non-Executive Nominee Director	NA	NA

¹ Ms. Aruna Sundararajan has been appointed as member of the Committee w.e.f. August 22, 2022.

² Mr. Suvir Suren Sujan has been appointed as member of the Committee w.e.f. April 19, 2022. However, he ceased to be Non-Executive Director of the Company and member of the Committee w.e.f. August 24, 2023 due to his resignation.

³ Mr. Agus Tandiono ceased to be a Director of the Company and member of the Committee w.e.f. April 08, 2022.

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



Corporate Governance Report (Contd.)

The requisite quorum was present in all of the said meetings. All the decisions at Committee meetings were taken unanimously.

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

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

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

The Committee reviewed and discussed your Company's quarterly and annual financial statements with the management and the statutory auditors, it also considered and recommended to the Board for its approval various policies, revised and/or adopted, by the Company. During the year, all the recommendations made by the Committee were accepted by the Board.

Nomination and Remuneration Committee ("NRC")

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

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

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

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

- Formulation of criteria for evaluation of independent directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);
- Recommend to the Board, all remuneration, in whatever form, payable to senior management personnel;
- Carrying out any other activities as may be delegated by the Board and functions required to be carried out by the NRC as provided under the Act, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

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

During FY23, 3 (three) meetings of the Committee were held on May 28, 2022, August 09, 2022 and November 10, 2022.

Table E: The composition of the NRC Committee and the attendance details of the members during FY23 are given below:

Name of the Members	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Saugata Gupta (Chairperson) ¹	Independent Director	3	3
Mr. Deepak Kapoor	Independent Director	3	3
Mr. Srivatsan Rajan ²	Independent Director	NA	NA
Mr. Suvir Suren Sujan ³	Non-Executive Director	3	3
Ms. Kalpana Jaisingh Morparia ⁴	Independent Director	3	3

¹ Mr. Saugata Gupta was appointed as the Chairperson of the Committee w.e.f. March 29, 2023

² Mr. Srivatsan Rajan was appointed as a member of the Committee w.e.f. March 29, 2023

³ Mr. Suvir Suren Sujan, ceased to be Non-Executive Director of the Company and member of the Committee w.e.f. August 24, 2023 due to his resignation.

⁴ Ms. Kalpana Jaisingh Morparia, ceased to be an Independent Director of the Company and Chairperson of the Committee w.e.f. February 11, 2023 due to her resignation.

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

The requisite quorum was present in all of the said meetings. All the decisions at Committee meetings were taken unanimously.

The Committee also considered and recommended appointment/ change in terms of appointment of Directors, remuneration payable to the Senior Management Personnel for FY23, ratification of ESOPs plans, grant of ESOPs and other updates.

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

Performance evaluation of the Board and its criteria

The NRC has formulated a Policy and laid down the format, attributes, criteria and questionnaires, for the performance evaluation of the Board, its Committees and Individual Directors keeping in view the Board priorities and best practices.

Your Company got listed on May 24, 2022 on Stock Exchanges in India and the performance evaluation of the Board, its Committees and Individual Directors for FY23 was carried out and the results of the same were shared with the NRC and the Board.

Performance of the entire Board was evaluated after seeking inputs from all the Directors on the basis of criteria and parameters such as discharge of roles and responsibilities, appropriateness of Board size and composition, Board diversity, understanding of operational programmes, effectiveness of board processes, information and functioning, etc. Independent Directors also carried out evaluation of the entire Board's performance.

Performance evaluation of the Committees

The performance of the board committees was evaluated by the Board after seeking inputs from the all board members including committee members on the basis of criteria such as appropriateness of Committee composition, its role and responsibilities, terms of reference of committees, effective performance of the Committee vis-a-vis assigned role, participation of the members of the committee in the meetings, etc.

Performance evaluation of the Chairperson

Performance of the Chairperson was evaluated by all the Directors and separately by Independent Directors after considering the views of Executive and Non-Executive Directors on parameters such as external insights into future functioning of the Company, updates with the latest developments, representing concerns of Independent Directors to executive management and overall assessment of the Chairperson.

Performance evaluation of Individual Director

All Directors (including Independent Directors) were also evaluated individually by other Directors (except the Director himself being evaluated) on parameters such as participation and contribution by a Director, his/her attendance at Board meetings and preparedness for Board meetings, quality of contribution at Board meetings, contribution to the development of the Company and general compliance framework and corporate governance of the Company, effective deployment of knowledge and expertise. Performance evaluation of Non-Independent Directors was carried out by Independent Directors.

Performance evaluation of Independent Directors

The performance evaluation of all the independent directors was done by the entire Board of Directors (excluding the director being evaluated). The criteria to evaluate the performance of Independent Directors are their Independence from Management, Independence and objectivity in decision making and representing the interest of all stakeholders, fulfilment of the independence criteria as specified in SEBI Listing Regulations, contribution to Board Discussions, Industry knowledge and expertise, Board and Committee meeting participation.

The outcome of the evaluation was submitted to the Chairperson of the Company. The Chairperson then briefed the Board on the results of the performance evaluation. The Directors engaged in meaningful discussions and expressed their satisfaction with the entire evaluation process.

Methodology

For annual performance evaluation of the Board as a whole, its Committee(s) and individual Directors including the Chairman of the Board, the Company followed the methodology of a confidential survey basis an objective & subjective questionnaire.

The recommendations received at a consolidated level were discussed with the Board and individual feedback was provided to the respective Directors. Progress on recommendations from last year and the current year's recommendations were discussed.



Corporate Governance Report (Contd.)

Remuneration Policy for Board, Key Managerial Personnel and Senior Management

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

Table F: Remuneration paid to Directors during FY23

Name of the Directors	Fixed Salary			Bonus	Perquisite value on exercise of Stock Options	Commission	Sitting Fees	Others*	Total Compensation
	Basic	Allowance	Total Fixed Salary						
Mr. Deepak Kapoor	-	-	-	-	-	-	1.20	7.50	8.70
Mr. Srivatsan Rajan	-	-	-	-	-	-	2.20	6.50	8.70
Mr. Romesh Sobti	-	-	-	-	-	-	1.60	6.50	8.10
Mr. Saugata Gupta	-	-	-	-	-	-	1.50	6.50	8.00
Ms. Kalpana Jaisingh Morparia	-	-	-	-	-	-	1.30	5.61	6.91
Ms. Aruna Sundararajan	-	-	-	-	-	-	0.80	4.41	5.21
Mr. Sahil Barua	14.85	16.98	31.83	-	-	-	-	3.23	35.06
Mr. Sandeep Kumar Barasia	19.28	26.25	45.53	-	55.06	-	-	9.33	109.92
Mr. Kapil Bharati	12.83	17.32	30.15	-	444.98	-	-	2.69	477.82
Mr. Suvir Suren Sujan	-	-	-	-	-	-	-	-	-
Mr. Donald Francis Colleran	-	-	-	-	-	-	-	-	-
Mr. Agus Tandiono	-	-	-	-	-	-	-	-	-
Mr. Munish Ravinder Varma	-	-	-	-	-	-	-	-	-

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

Details of ESOPs granted to Executive Directors under Delhivery Employees Stock Options Plans as on March 31, 2023

Particulars	Mr. Sahil Barua, Managing Director & Chief Executive Officer			
	ESOP Plan I	ESOP Plan II	ESOP Plan III	ESOP Plan IV
No. of ESOPs granted [^]	-	10,68,000	-	76,00,000
Exercise price and period	-	Exercise Price: ₹0.10*; Exercise Period: as provided in the Grant Letter	-	Exercise Price: ₹1; Exercise Period: as provided in the Grant Letter
Effective date of grant	-	February 01, 2021	-	November 01, 2021
Vesting period	-	Performance based vesting as defined in the grant letter	-	Performance and time based vesting as defined in the grant letter
Vesting Conditions	-	Options shall vest as per terms of grant approved by the NRC.	-	Options shall vest as per terms of grant approved by the NRC.
No. of ESOPs vested as on March 31, 2023	-	5,34,000	-	Nil
No. of ESOPs exercised during FY23	-	Nil	-	Nil

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

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

Particulars	Mr. Sandeep Kumar Barasia, Executive Director & Chief Business Officer			
	ESOP Plan I	ESOP Plan II	ESOP Plan III	ESOP Plan IV
No. of ESOPs granted [^]	36,80,000	10,68,000	-	4,20,000
Exercise price (in ₹) and period	Options: EP in ₹ 17,09,400: 11.63*, 10,00,000: 16.28*, 7,90,600: 29.85* and 1,80,000: 1 Exercise Period: within four years from date of vesting	Exercise Price: 0.1*; Exercise Period: as provided in the Grant Letter	-	Exercise Price: ₹1; Exercise Period: as provided in the Grant Letter
Effective date of grant	Options: Effective date of grant 17,09,400: October 01, 2015, 10,00,000: April 1, 2018, 7,90,600: March 31, 2020 and 1,80,000: November 20, 2022	February 01, 2021	-	November 20, 2022
Vesting period	1 year to 4 year	Performance based vesting as defined in the grant letter	-	Performance based vesting as defined in the grant letter
Vesting Conditions	Time-based vesting as per terms of grant approved by the NRC.	Options shall vest as per terms of grant approved by the NRC.	-	Options shall vest as per terms of grant approved by the NRC.
No. of ESOPs vested but not yet exercised as on March 31, 2023	98,825	5,34,000	-	Nil
No. of ESOPs exercised during FY23	1,97,625	Nil	-	Nil

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

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

Particulars	Mr. Kapil Bharati, Executive Director & Chief Technology Officer			
	ESOP Plan I	ESOP Plan II	ESOP Plan III	ESOP Plan IV
No. of ESOPs granted [^]	14,99,800	10,68,000	-	15,75,000
Exercise price and period	Options: EP in ₹ 824,800: 29.85*, 675,000: 1 Exercise Period: within four years from date of vesting	Exercise Price: ₹0.1*; Exercise Period: as provided in the Grant Letter	-	Exercise Price: ₹1; Exercise Period: as provided in the Grant Letter
Effective date of grant	824,800: June 30, 2021; 675,000: November 20, 2022	February 01, 2021	-	November 20, 2022
Vesting period	1 year	Performance based vesting as defined in the grant letter	-	Performance based vesting as defined in the grant letter
Vesting Conditions	Time-based vesting	Options shall vest as per terms of grant approved by the NRC.	-	Options shall vest as per terms of grant approved by the NRC.
No. of ESOPs vested as on March 31, 2023	8,24,800	5,34,000	-	Nil
No. of ESOPs exercised during FY23	8,24,800	Nil	-	Nil

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

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



Corporate Governance Report (Contd.)

During FY23, your Company did not have any pecuniary relationship or transactions with Non-Executive Directors apart from paying Director's remuneration. The annual remuneration paid to a single Non-Executive Director did not exceed fifty per cent of the total annual remuneration paid to all the Non-Executive Directors of your Company.

The annual remuneration of Mr. Sahil Barua, Managing Director and Chief Executive Officer, Mr. Sandeep Kumar Barasia, Executive Director and Chief Business Officer and Mr. Kapil Bharati, Executive Director and Chief Technology Officer, comprises of fixed salary, performance related pay & annual bonus and additional benefits components. The terms of severance, notice period and termination for the Executive Directors of the Company will be governed by terms and conditions of the service agreements entered with the Company. Further, no notice period or severance fee is paid to any other Director.

The criteria for making payments to non-executive directors is available on company's website and can be accessed at <https://www.delhivery.com/company/investor-relations>.

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

CSR & Sustainability Committee

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

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

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

- 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;
- Recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- Monitor the corporate social responsibility policy of the Company and its implementation from time to time;
- Considering Environmental, Social and Governance ("ESG") initiatives / reporting; and
- Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be 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.

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

During FY23, 2 (two) meetings of the Committee were held on August 20, 2022 and February 10, 2023.

Table G: The composition of the CSR & Sustainability Committee and the attendance details of the members during FY23 are given below:

Name of the Members	Category	No. of Meetings held during tenure	No. of Meetings Attended
Ms. Aruna Sundararajan (Chairperson) ¹	Independent Director	1	1
Mr. Sahil Barua	Executive Director	2	2
Mr. Sandeep Kumar Barasia	Executive Director	2	2
Mr. Kalpana Jaisingh Morparia ²	Independent Director	2	2

¹ Ms. Aruna Sundararajan has been appointed as member of the Committee w.e.f. August 22, 2022 and as a Chairperson of the Committee w.e.f. March 29, 2023.

² Ms. Kalpana Jaisingh Morparia, ceased to be an Independent Director of the Company and Chairperson of the Committee w.e.f. February 11, 2023 due to her resignation.

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

The requisite quorum was present in all of the said meetings. All the decisions at Committee meetings were taken unanimously.

During the year, the Committee considered and recommended to the Board the CSR activities, CSR budget and expenditure for FY23, CSR strategy for FY23 and CSR budget for FY24. Additionally, the Committee conducted assessments of the sustainability initiatives undertaken by the Company and examined the Business Responsibility and Sustainability measures and reporting. During the year, all the recommendations made by the Committee were accepted by the Board.

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

Stakeholders' Relationship Committee ("SRC")

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

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

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

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

During FY23, 3 (three) meetings of the Committee were held on May 30, 2022, August 08, 2022 and November 11, 2022.

Table H: The composition of the SRC and the attendance details of the members during FY23 are given below:

Name of the Members	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Saugata Gupta (Chairperson)	Independent Director	3	3
Mr. Kapil Bharati	Executive Director	3	3
M. Romesh Sobti ¹	Independent Director	NA	NA
Mr. Srivatsan Rajan ²	Independent Director	3	3

¹ Mr. Romesh Sobti has been appointed as member of the Committee w.e.f. March 29, 2023.

² Mr. Srivatsan Rajan has ceased to be a member of the Committee w.e.f. March 29, 2023 due to re-constitution of the Committee.

Mr. Sunil Kumar Bansal, who previously held the position of Company Secretary and Compliance Officer, ceased to be a part of the Company with effective from May 31, 2023, due to his resignation. In terms of Regulation 6 and Schedule V of the SEBI Listing Regulations, subsequently, Mr. Vivek Kumar, who was associated with the Company as Director-Corporate Affairs and Deputy Company Secretary, has been appointed as the Company Secretary and Compliance Officer with effect from June 01, 2023. Mr. Kumar acts as the Secretary to the Committee.

The requisite quorum was present in all the said meetings. All the decisions at Committee meetings were taken unanimously.

During the year, the Committee considered and approved the allotment of shares on exercise of ESOPs under ESOP Plan 2012 & ESOP Plan III 2020 of your Company and reviewed the shareholders /Investor Grievances received by your Company.

Statement of shareholders' complaint during FY23:

Number of shareholders' complaints received during the financial year	5
Number of complaints not solved to the satisfaction of shareholders	0
Number of pending complaints	0

Risk Management Committee ("RMC")

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

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

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



Corporate Governance Report (Contd.)

- (f) Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
- (g) Implementing and monitoring 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.

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

During FY23, 3 (three) meetings of the Committee were held on May 28, 2022, August 02, 2022 and November 10, 2022.

Table I: The composition of the RMC and the attendance details of the members during FY23 are given below:

Name of the Members	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Srivatsan Rajan (Chairperson)	Independent Director	3	3
Mr. Romesh Sobti	Independent Director	3	3
Mr. Kapil Bharati	Executive Director	3	3
Mr. Ajith Pai Mangalore*	Chief Operating Officer ('COO')	3	2

* Not a member on the Board

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

The requisite quorum was present in all of the said meetings. All the decisions at Committee meetings were taken unanimously.

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

IPO Committee

The purpose of the IPO Committee of the Board was to oversee and facilitate the process of the IPO of its Equity shares. The Committee was authorised to approve and decide upon all activities in connection with the IPO, including, but not limited to, approve the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus, to decide the terms and conditions of the IPO, to appoint various intermediaries, negotiating and executing Offer related agreements and to submit applications and documents to relevant statutory and other authorities from time to time.

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

During FY23, 3 (three) meetings of the Committee were held on April 23, 2022, May 10, 2022 and May 20, 2022.

Table J: The composition of the IPO Committee and the attendance details of the members up to May 24, 2022 was as below:

Name of the Members	Category	No. of Meetings held during tenure	No. of Meetings Attended
Mr. Deepak Kapoor (Chairperson)	Independent Director	3	1
Mr. Sahil Barua	Executive Director	3	3
Mr. Srivatsan Rajan	Independent Director	3	3
Mr. Suvir Suren Sujan	Non-Executive Nominee Director	3	3
Mr. Munish Ravinder Varma	Non-Executive Nominee Director	3	2

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

The requisite quorum was present in all of the said meetings. The Committee approved the Red Herring Prospectus ("RHP") and Prospectus for initial public offer of the equity shares of your Company. All the decisions at such Committee meetings were taken unanimously.

M&A Committee

The purpose of the M&A Committee is to review and recommend merger, acquisition and corporate investment transactions proposed by your Company's management and the Committee is authorised to take all other decisions on behalf of the Board with respect to all matters relating to any Merger and Acquisition transaction being entered or proposed to be entered by the Company. Initially, the M&A Committee was constituted as "IPO and M&A Committee" pursuant to a resolution approved by the Board on June 18, 2021. The said Committee was reconstituted and 2 (two) separate Committees i.e. IPO Committee and M&A Committee were formed on August 12, 2021 and August 19, 2021 respectively.

Table K: The composition of the M&A Committee during FY23 was as below:

Name of the Members	Category
Mr. Deepak Kapoor (Chairperson)	Independent Director
Mr. Sahil Barua	Executive Director
Mr. Srivatsan Rajan	Independent Director
Mr. Suvir Suren Sujan	Non-Executive Nominee Director
Mr. Munish Ravinder Varma*	Non-Executive Nominee Director

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

No meetings of the M&A Committee were held during FY23. Further, in the Board Meeting held on August 04, 2023, it was noted that such matters have been placed before the Board for wider discussion and hence the Board dissolved the Committee, w.e.f. August 04, 2023.

General Body Meetings

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

Financial Year Ended	Date	Time	Venue	Special Resolution(s) Passed
March 31, 2022	September 29, 2022	11.00 A.M.	The meeting was held through video conferencing/other audio visual mode pursuant to the MCA Circular. The deemed venue of the meeting was N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi - 110037	1. To consider the appointment of Ms. Aruna Sundararajan (DIN: 03523267) as a Non-Executive Independent Director
March 31, 2021	September 29, 2021	4.30 P.M.	N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi - 110037	1. To approve the sub-division of shares of the company into shares of smaller amount than fixed by the Memorandum of Association of the company and consequent alteration to the Memorandum of Association 2. To approve the amendments to the existing Delhivery Employee Stock Option Plan, 2012 of the Company 3. To approve the amendments to the existing Delhivery Employee Stock Option Plan II, 2020 of the Company 4. To approve the amendments to the existing Delhivery Employee Stock Option Plan III, 2020 of the Company 5. To approve the Delhivery Employee Stock Option Plan IV, 2021 of the Company 6. To approve the Conversion of Company from private limited to public limited company and alteration of Memorandum of Association and Articles of Association
March 31, 2020	September 30, 2020	11.00 A.M.	N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi - 110037	No Special Resolution was passed

Postal Ballot

Your Company expresses sincere gratitude for your valuable support and approval of the special resolutions pertaining to the ratification of the Employee Stock Options Plans (ESOPs) of the Company and amendment to the provisions of the Articles of Association. Your approval demonstrates your confidence in the vision and strategy of the Company.

In accordance with the provisions of Section 110 of the Act, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, during the year under review, nine resolutions were successfully passed by the members of the Company on July 10, 2022 through the Postal Ballot.

Table M: The details of postal ballot approved in FY2023 vide special resolution and the voting pattern thereon is as under:

Postal Ballot No.	Description of Special Resolution	No. of votes	Votes cast in favour		Votes cast against	
			No. of Votes	%	No. of Votes	%
1.	Ratification of Delhivery Employees Stock Option Plan, 2012	623,299,296	488,154,106	78.3178	135,145,190	21.6822
2.	Ratification to extend benefits of Delhivery Employees Stock Option Plan, 2012 to the employees of the Group Companies including the Subsidiary Companies, of the Company	623,299,256	488,153,708	78.3177	135,145,548	21.6823
3.	Ratification of Delhivery Employees Stock Option Plan II, 2020	623,299,226	576,881,348	92.5529	46,417,878	7.4471
4.	Ratification to extend benefits of Delhivery Employees Stock Option Plan II, 2020 to the employees of the Group Companies including the Subsidiary Companies, of the Company	623,299,196	576,880,800	92.5528	46,418,396	7.4472
5.	Ratification of Delhivery Employees Stock Option Plan III, 2020	623,299,196	576,881,149	92.5528	46,418,047	7.4472
6.	Ratification to extend benefits of Delhivery Employees Stock Option Plan III, 2020 to the employees of the Group Companies including the Subsidiary Companies, of the Company	623,299,166	576,880,840	92.5528	46,418,326	7.4472
7.	Ratification of Delhivery Employees Stock Option Plan IV, 2021	623,299,196	488,153,908	78.3177	135,145,288	21.6823
8.	Ratification to extend benefits of Delhivery Employees Stock Option Plan IV, 2021 to the employees of the Group Companies including the Subsidiary Companies, of the Company	623,295,606	488,149,894	78.3176	135,145,712	21.2824
9.	Approval of Article 97 (ii) of the Articles of Association ("AOA") of the Company	623,299,196	482,635,387	77.4324	140,663,809	22.5676



Corporate Governance Report (Contd.)

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

None of the business proposed to be transacted at the ensuing Annual General Meeting, requires passing of a Special Resolution through Postal Ballot.

Procedure for Postal Ballot

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

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

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

Means of Communication

Your Company believes that the prompt and timely communication of information to the shareholders reflects the transparency and good corporate governance practice of an organisation. Your company has taken below steps in this regard:

(a) Financial Results and newspaper publication:

The quarterly, half-yearly and annual financial results are regularly submitted to the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE), where shares of the Company are listed. The financial results are generally published in Financial Express (English newspaper-all India edition) and Jansatta (Hindi-Regional newspaper) and simultaneously uploaded on the Company's website.

(b) Website:

Your Company has an active website and has a separate section for investors at <https://www.delhivery.com/company/investor-relations>. The said section keep investors updated on the key and material developments of the Company by providing timely information like brief profile of the Company, Board structure and Committees of the Board, press release, financial results, presentations made to institutional investors or analysts, annual reports, shareholding pattern, codes and policies, stock exchange filings, etc. It also displays official news releases.

(c) Institutional Investors/Analyst Meets:

Your Company holds meetings with the Institutional analyst/investor, post disclosure of financial results in each quarter. The detailed schedule of such meet and presentation made before them are disseminated to the stock exchanges and also uploaded on the Company's website at www.delhivery.com. The audio recordings and transcripts of Institutional analyst/investor meet are also available on the Company's website.

General Shareholders Information

(a) Annual General Meeting 2023:

Table N:

Day & Date	Wednesday, September 27, 2023
Time	11.00 A.M
Venue	Video Conferencing (Deemed Venue for Meeting - N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi - 110037)
Financial Year	FY23
Book Closure Dates	Thursday, September 21, 2023 to Wednesday, September 27, 2023
Dividend Payment Date	Not Applicable

(b) Listing on Stock Exchanges:

The Equity Shares of your Company are listed on the BSE and NSE w.e.f. May 24, 2022. The annual listing fees for the FY24 have been paid to the respective stock exchanges.

Table O: ISIN and Stock Code details

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

(c) Market Price Data:

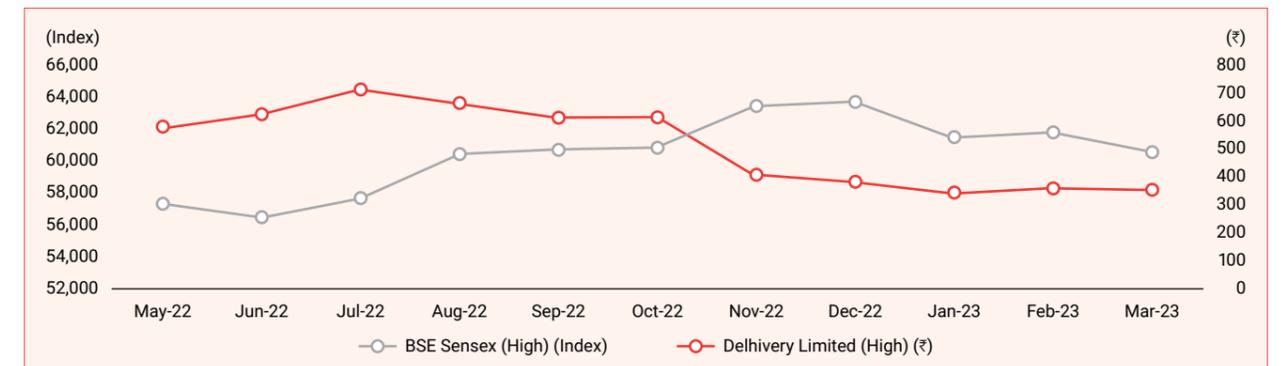
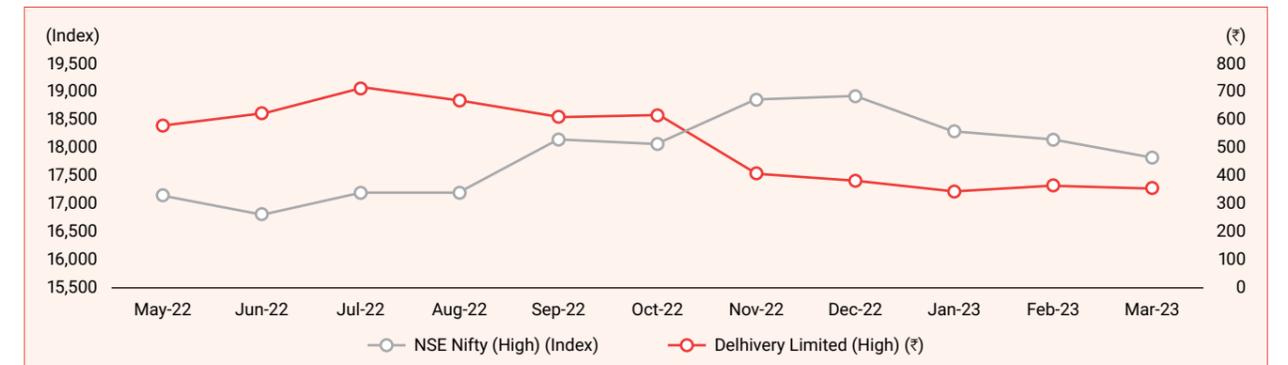
Table P: Market price data of the Shares of your Company i.e. high, low during each month in FY2023 on BSE and NSE

Month F.Y. 2022-23	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
May	568.90	474.00	568.90	467.50
June	617.70	456.05	617.35	456.35
July	708.45	493.00	708.00	495.00
August	657.35	525.25	658.00	509.80
September	606.00	553.50	607.65	559.00
October	608.35	341.65	608.70	341.30
November	403.00	306.25	403.40	306.00
December	379.35	315.40	379.50	315.05
January	339.85	291.00	339.00	291.00
February	358.70	294.90	358.50	294.50
March	350.00	314.05	350.00	314.10

Above information is considered from the date of Listing of the Company's equity shares viz. May 24, 2022.

(Source: The above information is compiled from the data available on the websites of BSE and NSE)

(d) Performance in comparison to broad-based indices such as BSE Sensex and NSE Nifty during the FY23:





Corporate Governance Report (Contd.)

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

No Securities of your Company were suspended from trading during the financial year 2022-23.

(f) Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd
Noble Heights, 1st Floor, Plot No. NH 2, LSC,
C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058
P: +91 11 49411000
Website: www.linkintime.co.in
E-mail: delhi@linkintime.co.in

(g) Share Transfer System:

Pursuant to Regulation 40 of Listing Regulations, the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with respective Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited. In order to simplify the process of securities trading for investors, SEBI vide its circular dated January 25, 2022, has made it

mandatory for listed companies to issue securities in dematerialised form only while processing service requests such as issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Shareholders are accordingly advised to avail the facility of dematerialisation holding shares in physical form by getting in touch with any Depository Participant having registration with SEBI.

Equity Shares in physical form are processed by the RTA viz. Link Intime India Private Limited. The requests received by the Company/ RTA for dematerialisation/ rematerialisation are disposed off expeditiously. During the year under review, one request of rematerialisation has been received and the same has been processed expeditiously. Your Company obtained, a certificate from a Company Secretary in Practice, certifying that all certificates for transfer, transmission, sub-division, consolidation, renewal, exchange and deletion of names were issued as required under Regulation 40(9) of the Listing Regulations and were duly filed with the Stock Exchanges.

(h) Dematerialisation shares and liquidity

As mandated by the Securities and Exchange Board of India ("SEBI"), securities of the Company can be transferred/ traded only in dematerialised form. As on March 31, 2023, 99.99% of shareholding was held in Dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited. The International Securities Identification Number ("ISIN") allotted to the Fully paid-up under the Depository System is INE148001028.

Mode of Holding	No. of Shares	% of Share Capital
Physical Segment	02	0
Demat Segment:		
NSDL (A)	708,785,160	97.27
CDSL (B)	19,929,987	2.73
Total (A + B)	728,715,147	100.00
Total	728,715,149	100.00

Distribution of Shareholding by Size as on March 31, 2023*

Distribution of Shareholding (Shares)					
Sr. No.	Shareholding of Shares	Shareholder	% of Total	Total Shares	% of Total
1.	1 to 500	80,507	96.3279	4,328,831	0.5940
2.	501 to 1,000	1,240	1.4837	949,400	0.1303
3.	1,001 to 2,000	622	0.7442	901,876	0.1238
4.	2,001 to 3,000	264	0.3159	675,040	0.0926
5.	3,001 to 4,000	137	0.1639	493,956	0.0678
6.	4,001 to 5,000	108	0.1292	506,605	0.0695
7.	5,001 to 10,000	203	0.2429	1,469,121	0.2016
8.	10,001 & above	495	0.5923	719,390,320	98.7204
Total		83,576	100	728,715,149	100

* Distribution of shareholding is not consolidated on PAN basis.

Shareholding Pattern as on March 31, 2023:

Sr. No.	Category of Shareholder	No. of shareholders	Total number of shares	% of total No. of shares
(A) Shareholder of Promoter and Promoter Group				
1.	Indian	0	0	0
2.	Foreign	0	0	0
Total shareholding of Promoter and promoter group		0	0	0
(B) Public Shareholding				
1. Institutions		210	587,720,833	80.65
Indian		20	94,946,953	13.03
Foreign		190	492,773,880	67.62
2. Non-Institutions		82,377	140,994,316	19.35
Indian		82,371	140,855,339	19.33
Foreign		6	138,977	0.02
Total public shareholding		82,587	728,715,149	100.00
Total (A+B)		82,587	728,715,149	100.00

(i) Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments, conversion date and likely impact on equity

As on March 31, 2023, no GDRs/ADRs/Warrants were outstanding. Details to the extent of outstanding employee stock options convertible into equity shares have been disclosed in the disclosure for ESOPs.

(j) Commodity price risk or foreign exchange risk and their respective hedging activities

Your Company considers commodity price risk and currency risk to be low and does not hedge these risks.

(k) Facility / Plant Location

Your Company offers the range of integrated transportation services and distribution of shipments through its network of facilities spread across India as under:

- 94 Gateways, Hub, PC, CP including 3 Mega Gateways at Bhiwandi (Maharashtra), Bengaluru (Karnataka) and Tauru (Haryana).
- 24 Automated Sort Centres.
- 90 Fulfilment Centres.
- 140 Service Centres.
- 135 Intermediate Processing Centres.
- 39 Return Processing Centres.
- 2,880 Direct Delivery Centres.

(l) Address for communication

Investors should address their correspondence to the Registrar & Share Transfer Agents: M/s. Link Intime India Pvt. Ltd. at the address mentioned hereinbelow.

Link Intime India Pvt. Ltd

Noble Heights, 1st Floor, Plot No. NH 2, LSC,
C-1 Block, Near Savitri Market,
Janakpuri, New Delhi-110058
Phone: +91 11 49411000
Website: www.linkintime.co.in
E-mail address: delhi@linkintime.co.in

Investors may also contact Mr. Vivek Kumar, Company Secretary and Compliance Officer, at the Registered Office/Corporate Office of your Company at corporateaffairs@delhivery.com for any assistance and guidance in connection with investors' matters. The correspondence address of your Company are:

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

Corporate Office: Plot 5, Sector 44, Gurugram 122002 Haryana, India
Phone: +91 124 6225602

(m) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad

Not Applicable



Corporate Governance Report (Contd.)

Other Disclosures

(i) Related Party Transactions

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

Details of related party transactions entered into by your Company, in terms of Ind AS-24 have been disclosed in the Note 35 of the standalone financial statements and Note 34 of the consolidated financial statements.

(ii) Details of Capital Market Non-Compliance, If any

The Equity shares of the Company are listed and traded on the stock exchanges w.e.f. May 24, 2022. Since the date of its listing, there were no penalties or strictures imposed on the Company by the Stock Exchange(s), SEBI and/ or any other statutory authorities on matters relating to capital market.

(iii) Vigil Mechanism / Whistle-Blower Policy

Pursuant to the provisions of Section 177 of the Act read with the Rules thereunder and Regulation 22 of SEBI Listing Regulations, your Company has established a Vigil Mechanism / Whistle-Blower Policy for Directors, employees, vendors, customers and other stakeholders of the Company and its subsidiaries to raise and report concerns regarding any unethical conduct, irregularity, misconduct, actual or suspected fraud or any other violation of the Policy within the Company. The vigil mechanism provides for adequate safeguards against victimisation of persons who use such mechanisms and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. No personnel have been denied access to the Audit Committee. The said Policy is available on the website of your Company at <https://www.delhivery.com/company/investor-relations>.

(iv) Compliance with mandatory and discretionary requirements

Your Company has complied with all the mandatory requirements of Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and Regulation 34(3) read together with para C, D & E of Schedule V of the SEBI Listing Regulations for the financial year ended March 31, 2023 and are disclosed in this report.

The status of compliance with the discretionary requirements, as stated under Part E of Schedule II to the SEBI Listing Regulations are as under:

The Board:

Your Company does not maintain any separate office for Chairperson.

Shareholder Rights:

Your Company has been disseminating quarterly, half-yearly and annual financial performance including summary of the significant events periodically and as and when required through stock exchanges and Delhivery's website.

Modified opinion(s) in Audit Report:

The Auditors have expressed an unmodified opinion in their report on the financial statements of your Company.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer:

Your Company has appointed separate persons to the post of the Chairperson and the Managing Director & the Chief Executive Office. The Chairperson is (a) a Non-Executive Independent Director; and (b) not related to the Managing Director and the Chief Executive Officer as per the definition of the term 'relative' defined under the Act.

Reporting of Internal Auditor:

The Internal Auditor of your Company directly reports to the Audit Committee.

(v) Policy for Determining Material Subsidiaries

Your Company has formulated a Policy for determining Material Subsidiaries and the same is available on your website of the Company at <https://www.delhivery.com/company/investor-relations>.

(vi) Compliance of Regulations Relating to Corporate Governance Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, If any.

Your Company had complied with all the applicable mandatory requirements under the SEBI Listing Regulations.

(vii) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the year, your Company floated IPO of its Equity Shares and the details of utilisation of funds raised through IPO have been mentioned in the Directors' Report. However, there were no funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

(viii) Certificates from Practising Company Secretary

As required under Regulation 34(3) and Schedule V, Part E of the SEBI Listing Regulations, the certificate given by M/s VAPN & Associates (Firm Registration No. P2015DE045500), Practising Company Secretaries regarding compliance of conditions of Corporate Governance, is annexed to this report as **Annexure 2**.

As required under Clause 10 (i) of Part C under Schedule V of the SEBI Listing Regulations, your Company has received a certificate from M/s VAPN & Associates (Firm Registration No. P2015DE045500), Practising Company Secretaries certifying that none of your Directors have been debarred or disqualified from being appointed or continuing as Directors of your Company by SEBI or Ministry of Corporate Affairs or such other statutory authority, is annexed to this report as **Annexure 3**.

(ix) Consolidated Fees paid to Statutory Auditors

The total fee for all services paid by your Company and its Subsidiaries, on a consolidated basis, to M/s S.R. Batliboi & Associates LLP, Statutory Auditors and all the entities in the network firm/network entity, of which Statutory Auditors are a part, during the financial year 2022-23 is ₹34.60 million.

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

The details of complaints filed, disposed of and pending during the financial year pertaining to sexual harassment are provided in the Business Responsibility and Sustainability Report, forming part of this Integrated Annual Report.

(xi) Details of material subsidiaries of the listed entity during FY23; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries.

Name of material subsidiary	Spoton Logistics Private Limited
Date of incorporation	November 17, 2011
Place of incorporation	Delhi, India
Name of statutory auditor	S. R. Batliboi & Associates LLP, Chartered Accountants (ICAI Firm Registration No.: 101049W/E300004)
Date of appointment of statutory auditor	November 29, 2021

(xii) Loans and advances in the nature of loans to firms/companies in which directors are interested

There are no such loans and advances in the nature of loans to firms/companies in which Directors are interested.

(xiii) Policy on Dealing with Related Party Transactions

In line with the requirements of the Act and SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions, which is available on the website of the Company at <https://www.delhivery.com/company/investor-relations>.

(XIV) Non-Compliance of any requirement of Corporate Governance Report under sub-paras (2) To (10) of Section C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, If any:

Your Company has fully complied with all the requirements of the Corporate Governance report under sub-paras (2) to (10) of para C of Schedule V of SEBI (LODR) Regulations and there are no such non-compliances in the said report.

Binding agreement(s)

No agreement has been entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the company or its subsidiary or associate companies, among themselves or with the company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the company or impose any restriction or create any liability upon the company, whether or not the company is a party to such agreements.

CEO and CFO certification

As required by Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Chief Executive Officer (also being the "Managing Director") and the Chief Financial Officer have given appropriate certifications to the Board.

The Certificate duly signed by Mr. Sahil Barua, Managing Director and Chief Executive Officer and Mr. Amit Agarwal, Chief Financial Officer (CFO) of your Company was placed before the Board along with the Annual Financial Statement for the year ended March 31, 2023 at its meeting held on May 19, 2023. The said Certificate is annexed to this report as **Annexure 4**.

Secretarial Audit & Secretarial Compliance Report

The Board has appointed M/s VAPN and Associates (Firm Registration No. P2015DE045500), Practising Company Secretaries, to conduct secretarial audit of the company's records and documents for FY23. In terms of Regulation 24A of the SEBI Listing Regulations, Secretarial Audit report for FY23, has been issued by M/s VAPN & Associates, Practising Company Secretaries. The aforesaid Secretarial Audit report forms part of the Director's Report and the same is available on the website of your Company at <https://www.delhivery.com/company/investor-relations>.



Corporate Governance Report (Contd.)

Further, in terms of aforesaid SEBI Listing Regulations, Secretarial Audit Report of Spoton Logistics Private Limited ("Spton"), a material subsidiary of your Company for FY23, have been issued by M/s VAPN & Associates, Practicing Company Secretaries. The aforesaid report forms part of the Director's Report and the same is available on the website of your Company at <https://www.delhivery.com/company/investor-relations>.

The Annual Secretarial Compliance Report for FY23 in compliance with Regulation 24A of the SEBI Listing Regulations issued by M/s VAPN & Associates, Practicing Company Secretaries was duly submitted to the Stock Exchanges.

Reporting as per para F of Schedule V of the Listing Regulations

As required under para F of Schedule V of the SEBI Listing Regulations, the requirement of reporting details of shares in suspense account, i.e. shares issued pursuant to the public issues or any other issue which remain unclaimed are not applicable.

Designated E-mail address for investor services

To serve the investors better and as required under Regulation 46(2)(j) of the SEBI Listing Regulations, the designated e-mail address for investor complaints is corporateaffairs@delhivery.com. The e-mail address for grievance redressal is monitored by your Company's Compliance Officer. The aforesaid e-mail address for grievance redressal and other relevant details are available on the website of your Company at <https://www.delhivery.com/company/investor-relations>.

SEBI Complaints Redressal System (SCORES)

The investor complaints are processed by SEBI in a centralised web-based complaints redressal system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has registered itself at SCORES.

In accordance with the SEBI Circular SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023, your Company has registered on the new SMART ODR Portal (Securities Market Approach for Resolution Through ODR Portal), which has been developed to enhance the resolution of investor grievances.

Legal proceedings in respect of title of shares

There are no pending cases related to disputes over title to shares in which your Company has been made a party.

Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund ('IEPF')

Not Applicable

Green Initiative

As a responsible corporate citizen, your Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Members at their e-mail address previously registered with the DPs and RTAs. Members who have not registered their e-mail addresses so far are requested to do the same. Those Members holding shares in demat form can register their e-mail address with their concerned DPs. Members who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio No.

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

Sahil Barua
Managing Director
and Chief Executive Officer
DIN: 05131571
Place: Goa

Date: August 24, 2023

Deepak Kapoor
Chairperson & Non-Executive
Independent Director
DIN: 00162957
Place: Delhi

Annexure 1

Declaration under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct

I, Sahil Barua, Managing Director and Chief Executive Officer of the Company, hereby declare that the Board of Directors have laid down a Code of Conduct for its Board Members, Key Managerial Personnel and Senior Management Personnel of the Company and they have affirmed compliance with the said code of conduct.

Date: August 24, 2023
Place: Goa

For **Delhivery Limited**
Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571

ANNEXURE 2

Certificate on Compliance with the Conditions of Corporate Governance as per Provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended)

To,
The Members
Delhivery Limited
(Formerly known as "Delhivery Private Limited")
CIN: L63090DL2011PLC221234
Registered Office: N24-N34, S24-S34, Air Cargo Logistics Centre-II,
Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037
Corporate Office: Plot No.-5 Sector-44 Gurgaon, Haryana 122002.

The Corporate Governance Report prepared by **Delhivery Limited [Formerly known as "Delhivery Private Limited"] ("the Company")**, contains details as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2), and para C, D, and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (collectively referred to as '**SEBI Listing Regulations, 2015**') ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2023. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management Responsibility:

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, issued by the Securities and Exchange Board of India.

Our Responsibility:

Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether

the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2023.

Opinion:

Based on the procedures performed by us as referred above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, as applicable for the year ended March 31, 2023.

Other Matters and Restriction on use:

This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the SEBI Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Ashok
Partner

Date: August 24, 2023
Place: New Delhi

ACS No: 55136 | COP No: 20599
ICSI UDIN: A055136E000875714



Corporate Governance Report (Contd.)

ANNEXURE 3

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Delhivery Limited** [Formerly known as "**Delhivery Private Limited**"] having **CIN: L63090DL2011PLC221234** and having registered office at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037 (hereinafter referred to as '**the Company**'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Companies Act, 2013.

Ensuring the eligibility for appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

Based on our examination as aforesaid and such other verifications carried out by us as deemed necessary and adequate (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), in our opinion and to the best of our information and knowledge and according to the explanations provided by the Company, its officers and authorised representatives, we hereby certify that none of the Directors on the Board of the Company, as listed hereunder for the financial year ended March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	Director Identification Number (DIN)	Date of Appointment in Company *
1.	Mr. Sahil Barua	05131571	19/12/2011
2.	Mr. Sandeep Kumar Barasia	01432123	01/07/2015
3.	Mr. Kapil Bharati	02227607	19/08/2021
4.	Mr. Romesh Sobti	00031034	01/10/2021
5.	Mr. Deepak Kapoor	00162957	22/11/2017
6.	Mr. Srivatsan Rajan	00754512	01/03/2016
7.	Mr. Suvir Suren Sujan	01173669	09/09/2014
8.	Mr. Saugata Gupta	05251806	01/10/2021
9.	Mr. Donald Francis Colleran	09431299	24/12/2021
10.	Ms. Aruna Sundararajan	03523267	08/07/2022

*The date of appointment is as per the MCA Portal.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the financial year ended March 31, 2023.

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

Ashok
Partner

Date: August 24, 2023
Place: New Delhi

ACS No: 55136 |COP No: 20599
ICSI UDIN: A055136E000875703

ANNEXURE 4

CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION UNDER REGULATION 17(8) & REGULATION 33(2) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Board of Directors,
Delhivery Limited
(formerly known as Delhivery Private Limited)

We, Sahil Barua, Managing Director & Chief Executive Officer and Amit Agarwal, Chief Financial Officer of Delhivery Limited, pursuant to the requirement of Regulation 17(8) & 33(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our knowledge and belief, hereby certify that:-

- (A) We have reviewed Financial Statements and the Cash Flow Statement for the Financial Year ended March 31, 2023 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, no transactions entered into by the Company during the Financial Year ended March 31, 2023 which are fraudulent, illegal or violative of the Company's Code of Conduct.

- (C) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee:
- significant changes, if any, in internal control over financial reporting during the Financial Year ended March 31, 2023;
 - significant changes, if any, in accounting policies during the said Financial Year and that the same have been disclosed in the notes to the Financial Statements; and
 - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 19, 2023
Place: Goa

Sahil Barua
Managing Director and
Chief Executive Officer

Amit Agarwal
Chief Financial Officer



Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L63090DL2011PLC221234
2.	Name of the Listed Entity	Delhivery Limited
3.	Year of incorporation	22 June 2011
4.	Registered office address	N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi 110037
5.	Corporate address	Plot No. 5, Sector 44, Gurugram 122001
6.	E-mail	corporateaffairs@delhivery.com
7.	Telephone	+91 124 6225602
8.	Website:	www.delhivery.com
9.	Financial year for which reporting is being done	FY23
10.	Name of the Stock Exchange(s) where shares are listed	BSE & NSE
11.	Paid-up Capital	728,715,149 (as on Mar 31, 2023)
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:	Vivek Kumar, Company Secretary and Compliance Officer Contact No. +91 124 6225600 Email: corporateaffairs@delhivery.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):	Consolidated basis (all subsidiaries included for which 100% operational control exists with the entity)

II Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description Of Business Activity	% Of Turnover of the entity
1	Transport & Storage	Land Transport via Road	89.01%
2	Transport & Storage	Warehousing & storage	5.39%
3	Transport & Storage	Air Transport	3.16%
4	Transport & Storage	Postal & Courier Activities	1.48%
5	Transport & Storage	Water Transport	0.92%
6	Transport & Storage	Service Incidental to land, water & air transportation	0.04%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% Of Turnover of the entity
1	Land Transport via Road	4923	89.01%
2	Warehousing & storage	5210	5.39%
3	Air Transport	5120	3.16%
4	Postal & Courier Activities	5310 & 5320	1.48%
5	Water Transport	5012	0.92%
6	Service Incidental to land, water & air transportation	5221, 5222, 5223, 5224	0.04%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants*	Number of offices	Total
National	3,378	15	3,393
International	0	6	6

*Delhivery is an Integrated Logistics Service Provider and does not undertake any manufacturing activity. To provide its service, it operates Gateways, Fulfillment Centres, Processing Centres, and Last Mile Distribution Centres across the country.

17. Markets served by the entity:

a. Number of locations

Location	Location
National (No. of States)	36
International (No. of Countries)	220

b. What is the contribution of exports as a percentage of the total turnover of the entity?

0.09756%

c. A brief on types of customers

We provide supply chain solutions to a diverse base of over 27500 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.

IV. Employees

18. Details at the end of Financial Year:

a. Employees and workers (includes all categories of employees):

S.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	15,409	14,398	93.4%	1,011	6.6%
2.	Other than Permanent (E)	136	117	86.0%	19	14.0%
3.	Total employees (D + E)	15,545	14,515	93.4%	1,030	6.6%
WORKERS						
4.	Permanent (F)	6,351	6,272	98.8%	79	1.2%
5.	Other than Permanent (G)	35,547	33,118	93.2%	2,429	6.8%
6.	Total workers (F + G)	41,898	39,390	94.0%	2,508	6.0%

b. Differently abled Employees and workers:

S.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	8	8	100.0%	0	0.0%
2.	Other than Permanent (E)	0	0	0.0%	0	0.0%
3.	Total differently abled employees (D + E)	8	8	100.0%	0	0.0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	34	34	100.0%	0	0.0%
5.	Other than permanent (G)	0	0	0.0%	0	0.0%
6.	Total differently abled workers (F + G)	34	34	100.0%	0	0.0%

19 Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10.0%
Key Management Personnel	9	1	11.1%

20. Turnover rate for permanent employees and workers

Particulars	FY 23			FY 22			FY 21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	6,227	440	6,667	4,165	307	4,472	3,600	185	3,785
Permanent Workers	1,516	37	1,553	712	9	721	224	103	327



Business Responsibility & Sustainability Reporting (Contd.)

Particulars	FY 23			FY 22			FY 21		
	in %			in %			in %		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	42%	43%	34%	33%	39%	33%	36%	52%	37%
Permanent Workers	32%	56%	27%	30%	22%	29%	42%	27%	42%

Note:- Data has been calculated as per BRSR Guidelines

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21.(a) Names of holding / subsidiary / associate companies / joint ventures

S.No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of Shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Spoton Logistics Private Limited	Subsidiary	100%	Yes
2	Orion Supply Chain Private Limited	Subsidiary	100%	Yes
3	Delhivery Cross Border Services Private Limited	Subsidiary	100%	Yes
4	Delhivery Freight Services Pvt Ltd	Subsidiary	100%	Yes
5	Delhivery Corp Limited, London, United Kingdom	Subsidiary	100%	Yes
6	Delhivery USA LLC	Subsidiary	100%	Yes
7	Delhivery HK Pte Limited	Subsidiary	100%	Yes
8	Delhivery Singapore Pte. Ltd.	Subsidiary	100%	Yes
9	Algorhythm Tech Private Limited	Subsidiary	100%	Yes
10	Delhivery Robotics LLC	Subsidiary	100%	Yes
11	Spoton Supply Chain Solutions Private Limited	Subsidiary	100%	Yes
12	Delhivery Logistics (Shenzhen) Company Limited	Subsidiary	100%	Yes
13	Delhivery Bangladesh Logistics Pvt. Ltd.	Subsidiary	99.99%	No
14	FALCON AUTOTECH Private Limited	Associate	34.55%	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes, CSR provisions are applicable but no monetary contribution required due to lack of PAT in last 3 FYs
- (ii) Turnover (in ₹): 72,253,014,789
- (iii) Net worth (in ₹): 85,861,232,147

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 23			FY 22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	https://www.delhivery.com/wp-content/uploads/2023/04/community_grievance_redressal_policy_delhivery.pdf	0	0	NA	0	0	NA
Investors and shareholders	https://www.delhivery.com/company/investor-relations	5	0	All were servicing requests rather than grievances or complaints	2	0	NA

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 23			FY 22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	https://www.delhivery.com/wp-content/uploads/2023/03/Delhivery_Whistle-Blower-Policy.pdf	536	0	NA	487	0	NA
Customers/ Client & Consignee	https://www.delhivery.com/support/	3,055,831	77,710	Overall First Response SLA has been 90% and 2.5% of the complaints were awaiting completion as at the end of the period	850,227	48,828	Overall First Response SLA has been 98% and 5.74% of the complaints were awaiting completion as at the end of the period
Value Chain Partners	https://www.delhivery.com/wp-content/uploads/2023/03/Delhivery_Whistle-Blower-Policy.pdf	0	0	NA	0	0	NA

*Yes, grievance redressal mechanism is in place. All grievances are reported to the Company Secretary and it is promptly addressed (involving RTA, if required). On quarterly basis a reporting of the same is also made to the Stock Exchanges and to the Stakeholder Relationship Committee of the Board and to the Board of Directors on quarterly basis for review of all grievances and respective redressal. The contact details for investor grievances of the Company secretary are on the Investor Relations page of the website of the Company <https://www.delhivery.com/company/investor-relations>.

**Employees can also lodge complaints anonymously through the internal HR Helpline & employee grievance mail help desk.

24. Overview of the entity's material responsible business conduct issues

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Greenhouse Gas Emissions - Environment	Opportunity	Differentiate from the competition by offering Green Logistics / Low-carbon deliveries e.g. EV based last mile delivery; Cost savings through resource efficiency	NA	Positive
2.	Waste Management & Recycling - Governance	Risk	Risk of non-compliance to environmental laws if proper waste disposal is not ensured especially for goods such as e-waste, biomedical waste and other hazardous goods	As part of the waste disposal process, the company engages only with those vendors who dispose off the waste as per environmental norms.	Negative
3.	Packaging and Material Use - Environment	Opportunity	Increase recycling and reuse of packaging material thus optimising use and saving costs; Spearheading sustainable packaging in the industry and attracting both competitors & clients to the initiative	NA	Positive
4.	Occupational Health & Safety - Social	Risk	Delhivery employs a large workforce which handle packages and materials in warehouses, run automation infrastructure & drive core logistics operations. Also, road safety is of critical importance to us due to the nature of our business	Delhivery has an established Occupational Health & Safety Management Policy (OHSMS). Also, we are compliant with ISO 45001:2018. To safeguard against physical risk a detailed HIRA is being conducted periodically and potential hazards identified during that are mitigated with immediate effect. Apart from this, trainings on Mental health improvement is provided to employees	Negative



Business Responsibility & Sustainability Reporting (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Employee Training & Development - Social	Opportunity	Improves the skills of the employees enabling them to deliver better quality of work thus resulting in better service for customers. Also investing in employees increases retention.	NA	Positive
6.	Business Integrity - Governance	Risk	Reputational risk to the company in case business practices followed by the company or its employees do not ensure ethical code of conduct, anti-bribery, avoidance of conflict of interest	Delhivery has stringent policy on business ethics and integrity to all. Our "Code of conduct" and Whistle-Blower policy provides employees a framework to conduct business ethically and report non-compliance if any.	Negative
7.	Data Privacy & Security - Governance	Risk	Risk of non-compliance to data protection laws, loss of reputation with customers, and leakage of company strategic / business information	Delhivery has set up systems & procedures to safeguard the confidentiality, integrity and availability of all physical & electronic information assets of the organisation to ensure that regulatory, operational & contractual requirements are fulfilled.	Negative
8.	Sustainable Supply Chains	Risk	Delhivery works with a large number of suppliers and vendors. This could result in potential reputational risk / loss of service if the supplier is not adhering to appropriate ESG practices	Delhivery has developed a supplier sustainability assessment framework along with a standard supplier code of conduct that each vendor needs to adhere to	Negative
9.	Business Preparedness, Resiliency, & Disaster Response	Risk	Ensuring business continuity during a crisis be it natural disasters or otherwise is critical to avoid significant loss to business, ensure employee well-being and avoid loss to customers as a result of delay in services	Under the aegis of Risk Management Committee (RMC), we are evaluating conducting Business Continuity Exercise, which would aim to put in place the requisite frameworks/ SOPs.	Negative
10.	Other Air Pollutants (NOx, SOx, PM) - Environment	Risk	Delhivery has a large operating fleet (self-owned & vendor owned) and there could be a risk on non-compliance to vehicle pollution standard	Delhivery ensures that all fleet which is deployed on road, whether company owned or vendor owned, meets the vehicle fitness & pollution standard set by the law.	Negative
11.	Diversity & Inclusion - Social	Opportunity	Companies can access a larger talent pool by ensuring people from different backgrounds are hired and developed. Teams with diverse backgrounds bring in different points of view and experiences which also results in better outcomes	NA	Positive
12.	Regulatory compliance - Governance	Risk	Risk of penalties, revocation of license to operate, and reputational damage as a result of non-compliance to regulations	Delhivery has established dedicated team for adherence to laws, regulations, guidelines, and specifications relevant to the company's business	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	Refer Note 1								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Refer Note 2								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001: Quality Management System ISO 27001: Information Security ISO 45001: Occupational Health & Safety								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Target set for FY23 Higher Efficiency Tractor Trailer addition to operating fleet: >205 Tractor Trailer addition through Owned & Vendor Fleet								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Tractor Trailer Addition: We had an operating fleet of 175 43-46 ft tractor trailers in FY22. We have further added 387 tractor trailers in FY23 against the target addition of 205 tractor trailers in FY23. Total tractor trailers count is 562 in FY23								
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Delhivery, we understand the importance of sustainable practices for business, and have embarked on our journey by covering all aspects of environment, social and governance. We are committed to driving sustainability throughout the value chain by associating with our suppliers, partners, customers and the communities we serve.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Environmental, social and sustainability aspects are discussed at the CSR & Sustainability Committee meetings chaired by board member Ms. Aruna Sundarajan along with Mr. Sahil Barua, MD & CEO - Delhivery and Mr. Sandeep Kumar Barasia, CBO - Delhivery on a regular basis.								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, CSR & Sustainability Committee which consists of two executive and one non-executive board members (names mentioned in previous question), is responsible for decision making on sustainability related issues								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Committee of the Board									Annually								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	No								



Business Responsibility & Sustainability Reporting (Contd.)

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

Note 1:-

Particulars	Applicable Policies	Link for Policies
P1: Businesses should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable.	Code of Conduct for Board, KMP & Senior Management	https://www.delhivery.com/wp-content/uploads/2022/07/Code-of-Conduct-for-Board-KMP-Senior-Management.pdf
	Whistle-Blower Policy	https://www.delhivery.com/wp-content/uploads/2023/03/Delhivery_Whistle-Blower-Policy.pdf
	Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace	https://www.delhivery.com/wp-content/uploads/2023/05/antiSexualHarassmentPolicy.pdf
	Insider Trading Code	https://www.delhivery.com/wp-content/uploads/2022/06/Insider-Trading-Code.pdf
	Dividend Declaration Policy	https://www.delhivery.com/wp-content/uploads/2022/05/Dividend-Distribution-Policy_Final.pdf
	Remuneration Policy	https://www.delhivery.com/wp-content/uploads/2022/05/Policy-on-Nomination-Remuneration-Evaluation.pdf
	Policy for determining Material Subsidiaries	https://www.delhivery.com/wp-content/uploads/2022/05/Material-Subsidiaries.pdf
	Policy for determination of Materiality of Events or Information	https://www.delhivery.com/wp-content/uploads/2023/08/Policy-for-determination-of-Materiality-of-Events-or-Information.pdf
	Policy on Materiality of RPT	https://www.delhivery.com/wp-content/uploads/2022/05/Policy-on-Materiality-of-Related-Party-Transactions.pdf
	Policy on Preservation & Archival Documents	https://www.delhivery.com/wp-content/uploads/2022/05/Policy-on-Preservation-Archival-of-Documents.pdf
P2: Businesses should provide goods and services in a manner that is sustainable and safe	Code of Conduct for Board, KMP & Senior Management	https://www.delhivery.com/wp-content/uploads/2022/07/Code-of-Conduct-for-Board-KMP-Senior-Management.pdf
	CSR Policy	https://www.delhivery.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy_final.pdf
	Code of Conduct Policy	https://www.delhivery.com/wp-content/uploads/2023/04/Code-of-Conduct-Policy_V1.9.pdf
	Health, Safety & Environment Policy	https://www.delhivery.com/wp-content/uploads/2023/04/health_safety_and_environment_policy_delhivery.pdf
	Supplier Code of Conduct	https://www.delhivery.com/wp-content/uploads/2023/04/supplier_code_of_conduct_delhivery.pdf
	Sustainable Sourcing Policy	https://www.delhivery.com/wp-content/uploads/2023/04/sustainable_sourcing_policy_delhivery.pdf
	P3: Businesses should respect and promote the well-being of all employees, including those in their value chains.	Code of Conduct for Board, KMP & Senior Management
Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace		https://www.delhivery.com/wp-content/uploads/2023/05/antiSexualHarassmentPolicy.pdf
Code of Conduct Policy		https://www.delhivery.com/wp-content/uploads/2023/04/Code-of-Conduct-Policy_V1.9.pdf
P4: Businesses should respect the interests of and be responsive to all their stakeholders.	Code of Conduct for Board, KMP & Senior Management	https://www.delhivery.com/wp-content/uploads/2022/07/Code-of-Conduct-for-Board-KMP-Senior-Management.pdf
	CSR Policy	https://www.delhivery.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy_final.pdf
	Code of Conduct Policy	https://www.delhivery.com/wp-content/uploads/2023/04/Code-of-Conduct-Policy_V1.9.pdf
	Community Grievance Redressal Mechanism	https://www.delhivery.com/wp-content/uploads/2023/04/community_grievance_redressal_policy_delhivery.pdf
P5: Businesses should respect and promote human rights.	Code of Conduct for Board, KMP & Senior Management	https://www.delhivery.com/wp-content/uploads/2022/07/Code-of-Conduct-for-Board-KMP-Senior-Management.pdf
	Equal Employment Opportunity	https://www.delhivery.com/wp-content/uploads/2023/04/equal-employment_opportunity_policy.pdf
	Code of Conduct Policy	https://www.delhivery.com/wp-content/uploads/2023/04/Code-of-Conduct-Policy_V1.9.pdf
	Human Rights Policy	https://www.delhivery.com/wp-content/uploads/2023/04/human_rights_policy_delhivery.pdf

Particulars	Applicable Policies	Link for Policies
P6: Businesses should respect and make efforts to protect and restore the environment.	Health, Safety & Environment Policy	https://www.delhivery.com/wp-content/uploads/2023/04/health_safety_and_environment_policy_delhivery.pdf
P7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	Code of Conduct for Board, KMP & Senior Management	https://www.delhivery.com/wp-content/uploads/2022/07/Code-of-Conduct-for-Board-KMP-Senior-Management.pdf
	Code of Conduct Policy	https://www.delhivery.com/wp-content/uploads/2023/04/Code-of-Conduct-Policy_V1.9.pdf
P8: Businesses should promote inclusive growth and equitable development.	CSR Policy	https://www.delhivery.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy_final.pdf
	Health, Safety & Environment Policy	https://www.delhivery.com/wp-content/uploads/2023/04/health_safety_and_environment_policy_delhivery.pdf
P9: Businesses should engage with and provide value to their consumers in a responsible manner.	Code of Conduct for Board, KMP & Senior Management	https://www.delhivery.com/wp-content/uploads/2022/07/Code-of-Conduct-for-Board-KMP-Senior-Management.pdf
	CSR Policy	https://www.delhivery.com/wp-content/uploads/2022/05/Corporate-Social-Responsibility-Policy_final.pdf
	Code of Conduct Policy	https://www.delhivery.com/wp-content/uploads/2023/04/Code-of-Conduct-Policy_V1.9.pdf
	ISMS Policy (Data Privacy & Cyber Security)	https://www.delhivery.com/wp-content/uploads/2023/04/Information-Security-Management-System-ISMS-Policy.pdf

Note 2:- Company formulated Supplier Code of Conduct & Sustainable Sourcing Policy for extending the policy to Value Chain Partners in FY23 which would be applicable to Suppliers from FY24

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Our code of conduct defines the standard of ethics, transparency, and accountability, and we observe and follow it in all our business activities. We have a whistle-blower policy that allows not only the Board of Directors, Key Managerial Personnel, and employees but also vendors, contractors, suppliers, shareholders, and former employees to raise complaints without any fear of retaliation.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	SEBI (Prevention of Insider Trading) Regulations, POSH, Code of Conduct	100%
Key Managerial Personnel	15	POSH, Code of Conduct, Insider Trading, Whistle-Blower Policy	100%
Employees other than BoD and KMPs	6	POSH, Code of Conduct, ISO 27001, Phishing Attack Training, Data Privacy Training, Whistle-Blower Policy	99.55%
Workers	6	POSH, Code of Conduct, ISO 27001, Phishing Attack Training & Data Privacy Training	99.81%

* Above trainings are available to all the Employees & Workers in the form of E-Modules on the company's LMS Portal. Also, webinars are conducted for a few of the training topics at a regular interval.

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

No Material cases were received during the reporting period

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

NA



Business Responsibility & Sustainability Reporting (Contd.)

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, COC Policy is applicable on all Employees & Workers which includes clauses related to anti-bribery.

https://www.delhivery.com/wp-content/uploads/2023/04/Code-of-Conduct-Policy_V1.9.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Nil

6. Details of complaints with regard to conflict of interest

Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

NA

Leadership Indicators

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

We have a policy related to the Code of Conduct for Board Members, Key Managerial Personnel, and Senior Management, which sets standards for our business conduct. This ensures that we, as concerned officers, act in accordance with the highest standards of personal and professional integrity, honesty, and ethical conduct while working for and on behalf of the company.

<https://www.delhivery.com/wp-content/uploads/2022/07/Code-of-Conduct-for-Board-KMP-Senior-Management.pdf>

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

We consider people at the core of our business activities and strive to follow all applicable national and international labour laws. We are actively working on reducing our carbon footprint by using fuel-efficient tractor trailers in our operations. Moreover, we are installing solar panels at our large warehouses to decrease emission intensity and dependency on grids.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively

Particulars	FY23	FY22	Details of improvements in environmental and social impacts
*R&D	0%	0%	NA
Capex	9.89%	7.89%	Induction of Fuel Efficient 43-46 ft tractor trailers Energy Efficiency Measures such as LED lighting Rooftop Solar Installations

*R&D expenditure is being incurred by Delhivery USA, but not in specific technologies to improve the environmental and social impacts of product and processes

2a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, we formulated the Supplier Code of Conduct & Sustainable Sourcing Policy in FY23 which would become applicable to all suppliers (new & existing) from FY24

2b. If yes, what percentage of inputs were sourced sustainably?

For sustainable sourcing, the eligibility criteria chosen include the various Environmental, Social, and Governance facets. Delhivery looked at the availability of the below-mentioned policy and certification to review the sustainability of its vendors/suppliers (The evaluation was done for vendors catering to top 75% of the spend).

- Environment: ISO 14001, ISO 50001, EPR Compliance
- Social: POSH policy, ISO 450001, International Labour Organisation (ILO) – regulations on child labour, forced labour, modern slavery etc
- Governance: Whistle-Blower policy, Anti-bribery, Anti-corruption policy, Cyber security & Data privacy policy

43% inputs were sourced sustainably

Note-: Above data is based on the responses we've received from vendors catering to the top 75% of the spend and their percentage contribution has been calculated out of the total input value.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

(a) Plastic Waste: In form of Flyers & Bags

1. Flyers: We have mandated suppliers to use 20% recycled material in the production process in case of Flyers and ensure compliance related to Single use Plastics.

2. Bags: PP(Polypropylene) woven bags are being used 2-3 times to move shipments from one location to another. Upon end of life, these bags are sent to authorised scrap dealers who treat them as per defined norms.

(b) E-waste is disposed off only through authorised E-waste scrap dealers; upon disposal green certificate is issued by the scrap dealer

(c) Hazardous Waste are not generated in our business.

(d) Other Waste such as Wood, Iron & other metals, Paper & Tyres are disposed off through vendors for recycling.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

The law/rules has a wide scope and Delhivery will fall under its ambit. This is based on both internal and external consultations.

Based on the market understanding and detailed analysis of rule(s) applicability on the company, we would be required to be registered as Brand Owner. Timeline for the same shall be Q2FY24

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

We consider people at the core of our business activities. For the well-being of all our employees, we focus on diversity & inclusion, prevention of sexual harassment, and ensure fairness at the workplace by following human rights and applicable labour laws. We have several initiatives and benefits for our employees, such as health insurance, accident insurance, and maternity/paternity benefits. We also prioritise mental well-being through our EWAP (Employee Well-being and Assistance Program).

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
PERMANENT EMPLOYEES											
Male	14,398	14,398	100%	14,398	100%	0	0%	14,398	100%	0	0%
Female	1,011	1,011	100%	1,011	100%	1,011	100%	0	0%	0	0%
Total	15,409	15,409	100%	15,409	100%	1,011	6.6%	14,398	93.4%	0	0%
OTHER THAN PERMANENT EMPLOYEES											
Male	117	0	0%	0	0%	0	0%	0	0%	0	0%
Female	19	0	0%	0	0%	19	100%	0	0%	0	0%
Total	136	0	0%	0	0%	19	14%	0	0%	0	0%



Business Responsibility & Sustainability Reporting (Contd.)

Note:- Delhivery has rolled out policy for Child care/ Creche benefits for all Employees & Workers in Apr'23

1. b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
PERMANENT WORKERS											
Male	6,272	6,272	100%	6,272	100%	0	0%	6,272	100%	0	0%
Female	79	79	100%	79	100%	79	100%	0	0%	0	0%
Total	6,351	6,351	100%	6,351	100%	79	1.2%	6,272	98.8%	0	0%
OTHER THAN PERMANENT WORKERS											
Male	33,118	33,118	100%	33,118	100%	NA	NA	0	0%	0	0%
Female	2,429	2,429	100%	2,429	100%	2,429	100%	0	0%	0	0%
Total	35,547	35,547	100%	35,547	100%	2,429	6.8%	0	0%	0	0%

Note:- Delhivery has rolled out the policy related to Child care/ Creche benefits for all Employees & Workers in Apr'23

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 23			FY 22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	NA	100%	100%	NA
*ESI	34%	98.85%	Y	52%	99.59%	Y

*ESI is applicable only for Employees/ Workers with salary < ₹ 21,000

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

All corporate offices of the company are accessible to differently abled employees and workers.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, Equal Employment Opportunity Policy at Delhivery facilitates creation of a workplace culture that maximises organisation performance by taking all reasonable steps to prevent or guard against discrimination. It reflects our commitment to ensure equality and promote diversity in the workplace

https://www.delhivery.com/wp-content/uploads/2023/04/equal-employment_opportunity_policy.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	93%	87%	95%	85%
Female	94%	94%	*100%	*100%
Total	93%	87%	95%	85%

*No Parental Leave was taken in the reporting period by Female Permanent Workers

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

Employees can call the HR Helpline or send grievances to the Employee Grievance Redressal mail help desk. The objective of HR Helpline is to help our employees with all kinds of organisational information, wherein our employees can directly call on the helpline for any HR related information or to resolve any of their HR queries and grievances including but not limited to workplace grievance, compensation & benefits, workplace safety, HR compliances, payroll etc.

The scope is to cover all employees irrespective of the geography, function or designation including off roll employees.

Also, in line with our policy of zero-tolerance for sexual harassment at the workplace, our 'Anti Sexual Harassment Policy' lays down the mechanism for prevention and redressal of any instance of sexual harassment across the organisation.

Whistle-Blower policy provides a platform for Employees & workers to disclose information on concerns relating to malpractice or impropriety in a confidential manner https://www.delhivery.com/wp-content/uploads/2023/03/Delhivery_Whistle-Blower-Policy.pdf

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The Company does not have any employee association.

8. Details of training given to employees and workers:

Category	FY 23				FY 22					
	Total (A)	On Health and safety measures		On Skill upgradation		Total (A)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES										
Male	14,398	4,968	34.50%	7,994	55.52%	15,050	0	0%	10,445	69.40%
Female	1,011	182	18.00%	327	32.34%	1,001	0	0%	410	40.96%
Total	15,409	5,150	33.42%	8,321	54.00%	16,051	0	0%	10,855	67.63%
WORKERS										
Male	6,272	2,056	32.78%	3,033	48.36%	3,596	0	0%	445	12.37%
Female	79	13	16.46%	24	30.38%	79	0	0%	5	6.33%
Total	6,351	2,069	32.58%	3,057	48.13%	3,675	0	0%	450	12.24%

Note:-

- Delhivery conducts Mock Drills & training sessions on Fire hazard across its facilities & offices. It plans to introduce E-modules on Health & Safety and conduct Mental Health awareness sessions to enable a Health & Safe workplace environment for all its Employees & Workers. In FY22, Delhivery provided Health & Safety Training to 15167 Employees & Workers, bifurcation of which by Gender wise or by Employee/ Worker wise was not available. Hence reporting the data as 0. In FY23 we had started tracking this training by Employee/ Worker and Gender wise, hence the data has been reported
- Delhivery provides Skill upgradation opportunity to all Employees & Workers through Delhivery Academy. It has a dedicated LMS portal where they can self enroll in a pre-recorded/ online/ live training module which covers both Operational & behavioural aspects of their job role. Enrollment in them is purely at the discretion of the Employee & Workers.

9. Details of performance and career development reviews of employees and worker:

Employees are at the core of Delhivery, and to be successful, the employees need to know how they're doing and how they can improve. It's also an opportunity to celebrate accomplishments and think about how we can further develop our team and ourselves professionally. Our Performance management system is designed keeping in mind: Real time & flexible to changing business needs - Ability to seek/provide feedback on real time basis rather than just year-end Customised to roles - Scorecard based for standard KRA/KPI roles and Log-based goal setting for others Enable Collaboration & Multi-rater feedback - Ability to assign collaborators or co-owners on particular goals Ensure Goal Alignment - Ensuring individuals have visibility or understanding of functional & organisational goals

For LM FEs which are categorised under Workers, we analyse their performance on a weekly basis and engage with them to improve performance. We also provide them opportunities to learn in-house operations & many of them get promoted for entry level positions in DC operations

Category	FY 23			FY 22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
EMPLOYEES						
Male	14,398	12,408	86.2%	15,050	11,639	77.34%
Female	1,011	793	78.4%	1,001	716	71.53%
Total	15,409	13,201	85.7%	16,051	12,355	76.97%
WORKERS						
Male	6,272	2,050	32.7%	3,596	1,450	40.3%
Female	79	66	83.5%	79	38	48.1%
Total	6,351	2,116	33.3%	3,675	1,488	40.5%



Business Responsibility & Sustainability Reporting (Contd.)

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?
Yes, occupational health and safety management system has been implemented by Delhivery and has 100% coverage for all facilities and employees
- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
A detailed Hazard Identification and Risk Assessment (HIRA) is conducted periodically, in which potential hazards. These hazards are either mitigated with immediate effect or the concerned team takes the charge and does the mitigation of risk in a time bound manner. Fire Risk, Near miss, environmental aspects are some of the aspects which are being monitored during the audits.
- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N) Y
- Suggestion boxes have been put to provide suggestions to improve health and safety management system
 - A disciplinary safety committee has been formed with each level of employee, On roll and Off role too to take a joint safety round and assess the potential risk and get them mitigate with roadmap
 - All employees have freedom to provide their valuable suggestion to organisation - HR Helpline has been setup
 - Escalation Matrix (ER) for complaints have been setup
- d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)
Yes, Group Medical Coverage is provided to all on roll employees/ workers of the company. This coverage provides a comprehensive Delhivery sponsored insurance cover for medical expenses incurred by the insured employee & their enrolled family members on account of hospitalisation. Also, ESIC benefit is available for employees/ workers with salary less than 21k

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 23	FY 22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.75	0.25
	Workers	2.46	0.44
Total recordable work-related injuries	Employees	130	35
	Workers	795	147
No. of fatalities	Employees	3	3
	Workers	19	10
High consequence work-related injury or ill-health (excluding fatalities)	Employees	51	12
	Workers	187	54

Note: No. of safety incidents have increased as compared to FY22 because of the better reporting of incidents on the ground and the team is aligned to monitor & respond to each incident with utmost urgency.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Delhivery already has a Health Safety & Environment Policy to provide a healthy and safe workplace and environment for its employees. It is our continued objective to protect employees from injury, occupational disease, workplace hazards, harassment, and violence in the workplace through appropriate prevention, protection, and training/education program

A Brief on measures taken by entity in ensuring safe & health workplace are as below:-

- Formed an EP Plan (Emergency Preparedness Plan) consisting of Emergency responders (volunteers) from every level/ designation. Timely training is imparted and periodically Mock Drills are organised to check efficiency of the responder.
- Periodically Fire Safety Trainings being imparted to aware people about Do's and DON'Ts in case of occurrence of Fire
- Hazard Identification and Risk Assessment (HIRA) is conducted as mentioned in Q10 above
- Health and Safety Management system related posters are displayed across Delhivery facilities to spread awareness on Health & Safety

13. Number of Complaints on the following made by employees and workers:

Category	FY 23			FY 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	8	0	Closed. Related to basic hygiene, drinking water & Canteen facility.	2	0	NA
Health & Safety	2	0	NA	0	0	NA

14. Assessments for the year FY23

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Note:- Field HR conduct touch-base meetings with employees of different selected locations along with their skip levels and discuss in detail about Working conditions/ Hygiene/ Safety/ Employee Behaviour & Welfare/ Human Rights/ any queries or help which can be addressed immediately in the meeting. Such meetings are conducted to touch base with about 20% of employees every year

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

To prevent fire Incidents inside the in-transit truck carrying dangerous goods like chemicals, a provision of providing Fireball to the truck driver has been implemented, specially in trucks originating from those locations from where chemicals are being picked up. A Fireball is a dry chemical powder based fire extinguisher that is efficient at spot protection against fire inside the truck.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

We respect the interest of all our stakeholders through our stakeholder management policy. We also have a CSR policy in place to address the needs of the community and the surrounding environment.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Delhivery being a logistic solutions provider, interacts with many stakeholders throughout the supply chain while performing its business activities. Therefore, identifying and prioritising stakeholders is important to perform business activities effectively & efficiently

Stakeholder identification is made based on the salient matrix where all internal and external stakeholders, no matter how remotely they are associated with Delhivery, are listed together.

All the listed stakeholders are then ranked/ scored based on their impact, interest, influence, and involvement in the company where these are defined as:

Impact: It measures how the intent & beliefs of stakeholders can impact the usual course of business activities.

Interest: It measures the amount of gains stakeholder receives or seeks from the company

Influence/power: It measures the extent of decision-making power stakeholder holds in the company

Involvement: It measures the involvement of each stakeholder in day-to-day business activities.

All the above four parameters are assigned weightage & based on a total score greater than the threshold, the stakeholder is classified as the priority stakeholders that Delhivery should focus on to do its business activities effectively and efficiently



Business Responsibility & Sustainability Reporting (Contd.)

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Business Owners (KMP)/ BOD/ Company Leaders	No	Board Meeting, Annual shareholder meetings, Email, SMS communication	Frequent and need based	To take feedback on business operations & other important matters of the company
Employees/ Workers	No	Direct & other communication mechanisms Fb@work, Email, SMS, HR Helpline	Daily	To be always available for Employee Grievance & feedback
Shareholders/ Investors/ Creditors	No	Email, SMS, newspaper advertisement, notice board, website, Annual General Meetings, intimation to stock exchanges, annual/ quarterly financials and investor meetings/ conferences	Frequent and need based	To stay abreast of developments in the Corporation and its subsidiary companies
Customers & Consignee	No	Multiple channels – physical & digital	Frequent and need based	To resolve customer query and address their grievances
Vendors & Suppliers	No	Multiple channels – physical & digital	Frequent and need based	To increase and reach Business targets efficiently
Regional or National Communities	Yes	Directly	Frequent and need based	To make a positive impact to the communities in our surroundings

PRINCIPLE 5: Businesses should respect and promote human rights

We seek to respect and uphold human rights in our business operations and in our relationships with suppliers, partners, and vendors. Our code of conduct strongly emphasises human rights and fair treatment, following ILO principles. To address any employee issues, we have set up an Employee Grievance team.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY23			FY22		
	Total (A)	No. of employees/workers covered (B)	% (B / A)	Total (A)	No. of employees/workers covered (B)	% (B / A)
Employees						
Permanent	15,409	15,286	99.20%	16,051	5,967	37.18%
Other than Permanent	136	100	73.53%	209	38	18.18%
Total Employees	15,545	15,386	98.98%	16,260	6,005	36.93%
Workers						
Permanent	6,351	6,329	99.65%	3,675	842	22.91%
Other than Permanent	35,547	2,590	7.29%	40,647	5,312	13.07%
Total Workers	41,898	8,919	21.29%	44,322	6,154	13.88%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 23					FY 22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B / A)	No.(C)	% (C / A)		No.(E)	% (E / D)	No.(F)	% (F / D)
EMPLOYEES										
Permanent										
Male	14,398	80	0.56%	14,318	99.44%	15,050	108	0.72%	14,942	99.28%
Female	1,011	6	0.59%	1,005	99.41%	1,001	4	0.40%	997	99.60%
Other than Permanent										
Male	117	0	0%	117	100.00%	122	3	2.46%	119	97.54%
Female	19	0	0%	19	100.00%	87	3	3.45%	84	96.55%
WORKERS										
Permanent										
Male	6,272	51	0.81%	6,221	99.19%	3,596	71	1.97%	3,525	98.03%
Female	79	0	0.00%	79	100.00%	79	0	0.00%	79	100.00%
Other than Permanent										
Male	33,118	15,594	47.09%	17,524	52.91%	38,652	19,729	51.04%	18,923	48.96%
Female	2,429	1,416	58.30%	1,013	41.70%	1,995	901	45.16%	1,094	54.84%

3. Details of remuneration/salary/wages, in the following format:

Particulars	Male		Female	
	Number	Median remuneration/salary/ wages of respective category	Number	Median remuneration/salary/ wages of respective category
Board of Directors (BoD)*	7**	7,500,000	2***	5,118,904
Key Managerial Personnel	8	30,300,000	1	22,800,000
Employees other than BoD and KMP	14,390	300,000	1,010	424,500
Workers	6,272	196,301	79	196,900

** number of directors to whom remuneration in any form whether as fee or sitting fee is paid

***no. of Directors as on Mar 31, 2023

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, we have a dedicated Team to address Employee Grievance related to (but not limited to) Human Rights Violation. Also, POSH Committee ensures that we develop a safe and secure work environment for all our colleagues

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Employees can call the HR Helpline or mail to the Employee Grievance Redressal mail help desk. The objective of HR Helpline is to help our employees with all kinds of organisational information, wherein our employees can directly call on the helpline for any HR related information or to resolve any of their HR queries and grievances including but not limited to workplace grievance, compensation & benefits, workplace safety, HR compliances, payroll etc.

The scope is to cover all employees irrespective of the geography, function or designation including off roll employees.

Also, in line with our policy of zero-tolerance for sexual harassment at the workplace, our 'Anti Sexual Harassment Policy' lays down the mechanism for prevention and redressal of any instance of sexual harassment across the organisation.



Business Responsibility & Sustainability Reporting (Contd.)

6. Number of Complaints on the following made by employees and workers:

Category	FY 23			FY 22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	33	3	Termination: 8 Warning: 4 Others: 18	25	0	Termination: 6 Warning Letter: 6 Others: 13
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	58	0	Queries related to Remuneration, FnF and Other Employee Benefits including Statutory Benefits	285	0	Queries related to Remuneration, FnF and Other Employee Benefits including Statutory Benefits

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We are committed to maintaining a workplace free of harassment, including sexual harassment, and we have zero tolerance for such unacceptable conduct. We actively encourage the reporting of any harassment concerns and promptly respond to complaints about harassment or any other unwelcome or offensive conduct. We have constituted committees with comprehensive representation from all regions and business units, and we ensure that the members receive appropriate training to effectively discharge their duties. Regular awareness and training sessions are conducted to ensure that our employees are fully aware of the aspects of sexual harassment and the redressal mechanism. Additionally, our POSH Helpline ensures complete anonymity to the complainant.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

We formulated a Supplier Code of Conduct, making Human Rights a requirement in our business agreements and contracts with Value Chain Partners. As a result, this code will be applicable to our Suppliers starting from FY24.

9. Assessments for the year:

The Corporation is in compliance with the laws, as applicable. We ensure that all Statutory abstracts are displayed and adhered to, at the Facilities.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	

Note:- Field HR conduct touch-base meetings with employees of different selected locations along with their skip levels and discuss in detail about Working conditions/ Hygiene/ Safety/ Employee Behaviour & Welfare/ Human Rights/ any queries or help which can be addressed immediately in the meeting. Such meetings are conducted to touch base with about 20% of employees every year.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant risk/ concern identified, hence no corrective action taken

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

We understand the impact of our business activities on the environment and continuously work towards minimising their negative effects through various initiatives. A few such initiatives include the installation of solar panels for renewable sources of energy and the utilisation of fuel-efficient tractor trailers in our operations.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 23	FY 22
Total electricity consumption (A)	59,160.26 MWh	35,115.46 MWh
Total fuel consumption (B)	227,934.50 MWh	115,248.0 MWh
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	287,094.76 MWh	150,363.45 MWh
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	3.97 Watt hour/ ₹	2.18 Watt hour/ ₹

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment done by Sangti Solutions

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable, as the PAT scheme covers designated consumers (DCs) from 13 sectors such as thermal power, aluminum, cement, fertilisers, iron and steel, pulp and paper, textile, railways, chlor-alkali, distribution companies, refineries, commercial buildings (hotel), petrochemicals. Delhivery does not fall under the ambit of PAT scheme.

3. Provide details of the following disclosures related to water, in the following format:

Our usage of water at the company is restricted to human consumption purposes only. We make efforts to ensure that water is consumed judiciously in our office and facility premises. In various offices and facilities, we have installed sensor taps in washrooms to economise on water consumption. We also ensure that domestic waste (sewage) from our offices and facilities is not let into water bodies.

Parameter	March 31, 2023	March 31, 2022
Water withdrawal by source (in kilolitres)		
(i) Surface water	0.00	0.00
(ii) Groundwater	366,033.8	390,731.8
(iii) Third party water	105,181.2	62,065.7
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	471,215.0	4,52,797.5
Total volume of water consumption (in kilolitres)	62,408.7	50,260.5
Water intensity per rupee of turnover (Water consumed / turnover)	0.0009	0.0007

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment done by Sangti Solutions

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No, we have not implemented a mechanism for Zero Liquid Discharge as the Company's usage of water is restricted to human consumption purposes only. However, our largest facility at Tauru has set up an STP Plant of 90 KLD capacity



Business Responsibility & Sustainability Reporting (Contd.)

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 23	FY 22
NOx	Metric Tonnes	344.26	177.92
SOx	Metric Tonnes (SO2)	0.40	0.2
Particulate matter (PM)	Metric Tonnes	0.81	0.43
Persistent organic pollutants (POP)	Not Applicable	0	0
Volatile organic compounds (VOC)	Not Applicable	0	0
Hazardous air pollutants (HAP)	Not Applicable	0	0
Others – Hydrocarbons	Metric Tonnes	2.65	1.4
Others – Carbon Monoxide (CO)	Metric Tonnes	19.12	10.38

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

Yes, assessment done by Sangti Solutions

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 23	FY 22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	57,846.29	29,248.18
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	41,370.81	24,303.72
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO2 equivalent per million rupees of turnover	1.37	0.78
Logistics Emission Intensity*	Gram of CO2 equivalent per ton kilometer of material transported (gCO2e/t-km)	229.1	301.3

*Logistics Emission Intensity: Measured in gCO2e/t-km of material transported, it is a standard KPI that is a globally accepted carbon intensity measure for the Logistics industry. This allows for benchmarking of carbon emissions internally over a period of time and externally between different companies. In reporting our logistics intensity, we have considered Well-to-Wheel (WTW) emissions from Delhivery's logistics activities which includes both Tank-to-Wheel (TTW) emissions that are emitted while running of vehicles and Well-to-Tank (WTT) emissions that are emitted during extraction, processing and transport of fuels.

Key rationale for decrease in Delhivery Logistics Intensity:

For Load (in t-km) transported using HGVs, larger capacity trucks (>30t payload capacity) constituted for: 15% in FY22 vs 39% in FY23

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

Yes, assessment done by Sangti Solutions

7. Does the entity have any project related to reducing GreenHouse Gas emission? If Yes, then provide details.

We intend to reduce GreenHouse Gas emission through below projects:-

- Reducing Scope 1 & Scope 3 Emission from Fuel Consumption by utilising higher fuel efficiency fleet such as 46ft Tractor Trailer & utilising green fuel vehicles such as CNG & Electric vehicles
46ft Tractor Trailer Fleet Addition in FY23

We Inducted 387 tractor trailers in FY23 against the target addition of 205 tractor trailers in FY23. Total tractor trailers count is 562 in FY23

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 23	FY 22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	660.3	245.9
E-waste (B)	17.0	5.8
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	13.9
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H).	41.6	89.4
Tyres	0.2	1.0
Paper	0	0.034
Wood	15.3	28.6
Iron and other metals	6.1	33.8
Miscellaneous	20.0	26.0
Total (A+B + C + D + E + F + G + H)	718.8	355.1

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Category of waste	FY 23	FY 22
(i) Recycled	17	5.6
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	17	5.6

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 23	FY 22
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	701.9	349.5
Total	701.9	349.5

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)
If yes, name of the external agency.

Yes, assessment done by Sangti Solutions

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Considering the nature of our business, we do not use hazardous and toxic chemicals in our operations. We have various systems in place at an all-India level to manage e-waste. We engage with certified e-waste handlers for the disposal of e-waste. Additionally, as part of our current process, we mandate suppliers to use 20% recycled material in the production process for flyers.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

All the Company's offices and facilities are located in premises which have the requisite building permits, including environmental approvals.



Business Responsibility & Sustainability Reporting (Contd.)

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable, as EIA is mandatory for projects such as crude oil refineries, nuclear generating stations and other nuclear reactors, larger scale quarries and open-cast mines, industrial estate development projects, and an electric line installed above ground. We are a service based company and all of our offices and facilities are located in premises which have the requisite building permits, including environmental approvals.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Based on the nature of business, we are in compliance with applicable environmental norms.

Leadership Indicators

1. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 23	FY 22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	555,944.2	572,182.7
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent per million rupees of turnover	7.69	8.31

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, assessment done by Sangti Solutions

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Our approach to public policy advocacy at Delhivery is governed by our code of conduct. We promote any association with government, regulators, and legislators to be done with integrity, honesty, openness, and in compliance with applicable law.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

We have affiliation with 3 Industry Associations

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	The Federation of Indian Chambers of Commerce & Industry (FICCI)	National
2	The Confederation of Indian Industry (CII) - Goa Chapter	National
3	Express Industry Council of India (EICI)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not applicable as there were no instances of non-compliance reported during FY23.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Delhivery is committed to establishing a sustainable supply chain and supporting its vendors, suppliers, and partners in capacity building to adopt sustainable practices. Through our CSR interventions, we try to fulfill the needs of the marginalised and neglected community. We also perform disaster relief activities across the country by leveraging our large-scale logistic operations.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

This disclosure is made, if the entity has undertaken SIA in compliance with laws such as the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. Delhivery conducts its operations out of the rental and leased facilities, therefore does not do any land acquisition. Thus Social Impact Assessments (SIA) is not applicable for any of our projects.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable - no project undertaken

3. Describe the mechanisms to receive and redress grievances of the community.

We consider people at the core of our business activities. We value the needs and expectations of all stakeholders who are affected or have an interest in our company's business activities. One of our essential stakeholders includes community individuals or groups. We strive to operate in a manner that causes minimal disruption to neighbouring communities; however, complaints may still arise. We manage these complaints through our community grievance redressal mechanisms. Our Community Grievance Redressal Mechanism is a process for receiving, investigating, responding to, and concluding complaints or grievances from affected communities in a timely, fair, and consistent manner.

https://www.delhivery.com/wp-content/uploads/2023/04/community_grievance_redressal_policy_delhivery.pdf

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particulars	FY 23	FY 22
Directly sourced from MSMEs/ small producers	52%	43%
Sourced directly from within the district and neighbouring districts	37%	39%

Note:- MSME data is based on the responses we've received from vendors catering to the top 75% of the spend and their percentage contribution has been calculated out of the total input value.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Delhivery understands that customer satisfaction is crucial for the success and growth of our business. We advertise and promote our services in a manner that is not misleading or in violation of any laws. We have addressed Data Privacy issues through our ISMS Policy. Additionally, we have a well-defined Customer Engagement process outlined in our Stakeholder Management Policy.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Delhivery has a well-established system in place for dealing with consumer complaints & feedback. Consumers are provided multiple options to connect with the Company through

a. Customer Support Page on Company website <https://www.delhivery.com/support/>

b. Delhivery Mobile App

c. Customers may choose to voice their concerns on social media. We have Delhivery handle for a few select channels and a dedicated team to respond to the concerns raised there

In addition, we have a dedicated Client Experience Team to respond to their queries and receive feedback on our services so as to be able to continuously improve upon our products and services. The Team works closely with Sales and Operations Team to assist Customer in all scenarios

Internally, We use Freshdesk app to record and categorise all the complaints and feedback. This App helps allocate ticket numbers that helps us in keeping track of the complaints and resolution. It also calculates if our resolutions were provided as per our internal TAT or not.



Business Responsibility & Sustainability Reporting (Contd.)

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

Terms & Conditions of Safe & Responsible usage of Company's Service Offerings are mentioned on Delhivery website. <https://www.delhivery.com/terms-and-conditions>

3. Number of consumer complaints in respect of the following:

	FY 23			FY 22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	1	0	<ul style="list-style-type: none"> The leaked data belongs to Delhivery Limited and has a 100% match with data present in an application that was decommissioned in 2017. Audit logs of Delhivery's are available between 9th October 2017 to 7th August 2018 and 27th January 2021 till date shows no malicious activity. The application was developed and maintained by a third party, they had access to the source code and the data related to the application while the application was live between 2015-2017. Although it can not be ascertained now if the leak happened at their end.
Advertising	0	0	NA	0	0	NA
Cyber - security	1	0	<p>A DOS attack happened on delhivery.com website in August 2022 due to which the main website became inaccessible to users.</p> <p>Actions taken - The number of requests was reduced from 2500 to 150 to narrow down the issue.</p> <p>Filters were implemented on WAF to block the user-agent from the malicious source</p> <p>The WAF limits were restored for all users.</p> <p>The Incident was reported to CERT-In</p>	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Other	0	0	NA	0	0	NA

4. Details of instances of product recalls on account of safety issues:

Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

We at Delhivery Limited and our affiliates consider customer trust as our top priority and take the protection of their personal information very seriously. We want our customers to feel safe using our products, services and solutions ("Services"). This Privacy Policy informs them of the way in which we collect, use, transfer, and store their personal information when they use our Services, as well as their rights in relation to this data. We are also ISO 27001 certified.

<https://www.delhivery.com/privacy/>

Also, our ISMS Policy has been made for safeguarding the Confidentiality, Integrity and Availability of all physical and electronic information assets of the organisation to ensure that regulatory, operational and contractual requirements are fulfilled.

<https://www.delhivery.com/wp-content/uploads/2023/04/Information-Security-Management-System-ISMS-Policy.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Actions taken during the DOS attack on our website in August 2022 are as below:

- The number of requests was reduced from 2,500 to 150 to narrow down the issue.
- Filters were implemented on WAF to block the user-agent from the malicious source
- The WAF limits were restored for all users.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information relating to all the services offered by the company are available on the Delhivery's website, www.delhivery.com. In addition, we actively uses various social media and digital platforms to disseminate information on our services

2. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

We have put in place the necessary mechanisms to inform consumers if there is any major discontinuation in terms of delivery of essential services.

- By public information on the website
- Client level detailed information is provided through our dedicated Client Experience team which covers 100% of client database

3. Provide the following information relating to data breaches:

- Number of instances of data breaches along-with impact: We did not experience any data breach
- Percentage of data breaches involving personally identifiable information of customers: NA



Independent Auditor's Report

To the Members of Delhivery Limited (formerly known as Delhivery Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Delhivery Limited (formerly known as Delhivery Private Limited) ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the

state of affairs of the Company as at March 31, 2023, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of services for incomplete trips (open shipments)	<i>(as described in note 21 of the standalone financial statements)</i>
For the year ended March 31, 2023, the Company has recognised revenue from sale of services of ₹ 66,570.07 million. Revenue from incomplete trips as at the balance sheet date (open shipments) is recognised over the period of performance, based on the stage of completion and transaction price allocated to the specific completed performance obligation. The process of identifying the stage of completion of open shipments and allocation of transaction price to the specific performance obligation is complex, dependent on management's estimates and relevant internal controls including IT controls. Considering above complexities and volume, we have identified revenue from open shipments as a key audit matter.	Our audit procedures, among others included the following: <ul style="list-style-type: none"> a) Assessed the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers' b) We understood and tested management's internal controls over the revenue recognition process including controls related to ascertainment of stage of completion. We involved IT specialist to test the relevant IT controls. c) We obtained list of incomplete trips (open shipment report) and selected a sample of revenue transactions wherein revenue was recognised over the period of performance. For the transactions selected we compared the underlying documents including proof of service delivery for services completed subsequent to the year end and tested the working for allocation of transaction price to the specific completed performance obligation.

Key audit matters	How our audit addressed the key audit matter
Impairment of Investments <i>(as described in Note 5 of the standalone financial statements)</i>	
As disclosed in note 5 of standalone financial statements, the Company has investments in subsidiaries of ₹ 18,613.22 million. The said investments are carried at cost less allowance for impairment. The inputs to assessment of impairment which require exercise of significant judgement include the following: <ul style="list-style-type: none"> • projected future cash inflows; • expected growth rate; discount rate; terminal growth rate; • comparison of price and market multiples Accordingly, we identified the assessment of impairment as a key audit matter.	Our audit procedures included the following: <ul style="list-style-type: none"> • Tested the design and the operating effectiveness of internal controls over the impairment assessment process including assessment of valuation models used in assessment of impairment in the value of investment in subsidiaries. • Tested the estimates and assumption made by the Company to determine the recoverable amounts. • Evaluated competence, capabilities and objectivity of the management's expert and analysed the valuation reports issued by such expert. • Involved valuation expert to assist in evaluating the key assumptions considered in the determination of recoverable amount. • Tested the arithmetical accuracy of the computation of recoverable amounts of investments. • Assessment of historical forecasting accuracy by comparing previously forecasted cash flows to actual. • Assessed the adequacy of the disclosures in the standalone financial Statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and

for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.



Independent Auditor's Report (Contd.)

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the Company does not have servers physically located in India of one of its software for the daily backup as more fully explained in Note 47(b). Subsequent to the year end, the Company has started keeping the daily back-up of such other books of account and other books and papers in a server physically located in India which has also been disclosed in the aforesaid note;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above;
- (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act;
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 34 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 46 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner

whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 46 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 01, 2023, reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**
Partner

Membership Number: 094941
UDIN: 23094941BGWQFZ6723

Place of Signature: New Delhi
Date: May 19, 2023



Annexure 1 to the Independent Auditor's Report

referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Delhivery Limited (Formerly known as Delhivery Private Limited) ("the Company")

- i. a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the financial statements are held in the name of the Company except 9 immovable properties as indicated in the below mentioned cases as at March 31, 2023 for which title deeds were not available with the Company and hence we are unable to comment on the same:

Description of Property	Gross carrying value (₹ million)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Mather Square, Cochin	5.25	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons
Ravipuram, Cochin	13.18	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons
Sardar Patel Nagar, Ellisbridge, Ahmedabad	8.20	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons
G.T. Road, Ludhiana	1.67	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons
Metta Nagar, Tamil Nadu	2.13	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons
Ramnagar, Tirupur	1.30	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons
Atur House, Pune	19.20	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons
Shops 47 & 48, Sagar Complex, Pune	4.06	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons
Shops 1, 2 & 3, Sagar Complex, Pune	6.94	Fedex Express Transportation and Supply chain services (India) Private Limited	No	Acquired on December 04, 2021	Administrative reasons

- d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.
- e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification. There was no inventory lying with third parties.
- b) The Company has not been sanctioned working capital limits in excess of ₹ five crore in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

- iii. a) During the year the Company has provided loans to companies or any other parties as follows:

Particulars	Loans (Amount in ₹ million)
Aggregate amount granted during the year	
- Subsidiaries	1135.54
- Others	64.68
Balance outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	1450.02
- Others	49.06

- b) During the year the investments made and the terms and conditions of the grant of all loans to companies or any other parties are not prejudicial to the Company's interest.
- c) The Company has granted loans during the year to companies or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.
- d) There are no amounts of loans granted to companies or any other parties which are overdue for more than ninety days.
- e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. Loans, investments, guarantees and security in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii. a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases of provident fund and professional tax (also refer note 19 to the standalone financial statements). As informed to us the provisions of excise duty are not applicable to the Company. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- b) The dues of income tax and value added tax which have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount under Dispute (₹)	Amount Paid under Protest (₹)	Amount Unpaid (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	341 million	Nil	341 million	2016-17	CIT (Appeals)
Value Added Tax, 2008	Value Added Tax	57 million	57 million	Nil	2017-18	Additional Commissioner (Appeal) - 3, Commercial Tax



Independent Auditor's Report (Contd.)

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) Term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- x. a) Monies raised during the year by the Company by way of initial public offer (All equity) were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilisation have been invested in fixed deposits with various banks. The maximum amount of idle/surplus funds invested during the year was ₹ 38,460.00 million, of which ₹ 27,147.20 million was outstanding at the end of the year.
- b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) We have taken into consideration the whistle-blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- xii. a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.
- xiii. Transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has incurred cash losses amounting to ₹ 362.66 million in the current year. The Company has not incurred cash losses in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in note 42 to the financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and
- when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. Based upon the audit procedures performed and the information and explanations given by the management, provisions of Section 135 of Companies Act, 2013 does not applicable to the Company. Accordingly, the provisions of clause 3 (xx) of the Order are not applicable to the Company and hence not commented upon.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**
Partner

Membership Number: 094941
UDIN: 23094941BGWQFZ6723

Place of Signature: New Delhi
Date: May 19, 2023



Annexure 2 to the Independent Auditor's Report

of even date on the Standalone Financial Statements of Delhivery Limited (formerly known as Delhivery Private Limited)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Delhivery Limited (Formerly known as Delhivery Private Limited) ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial

statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper

management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established

by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**

Partner

Membership Number: 094941

UDIN: 23094941BGWQFZ6723

Place of Signature: New Delhi

Date: May 19, 2023



Standalone Balance Sheet

as at March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Particulars	Notes	March 31, 2023	March 31, 2022
Assets			
Non-current Assets			
Property, plant and equipment	3	7,913.87	6,018.50
Right-of-use assets	33	6,608.17	6,854.61
Capital work-in-progress	3	215.39	584.19
Goodwill	4	163.88	163.88
Other intangible assets	4	675.25	1,331.59
Intangible assets under development	4	19.44	14.99
Financial assets			
i) Investments	5	24,634.37	22,452.20
ii) Loans	8	1,160.01	-
iii) Other financial assets	9	3,375.26	3,685.07
Non-current tax assets (net)	10	2,005.69	1,290.47
Other non-current assets	11	384.75	245.70
Total Non-current Assets		47,156.08	42,641.20
Current Assets			
Inventories	6	193.40	253.06
Financial assets			
i) Investments	5	14,817.20	14,612.33
ii) Trade receivables	7	8,268.76	7,751.14
iii) Cash and cash equivalent	12	2,516.58	1,782.63
iv) Other bank balances	13	3,500.00	-
v) Loans	8	344.46	3,029.72
vi) Other financial assets	9	36,908.12	8,702.19
Other current assets	11	1,314.74	2,532.71
Total Current Assets		67,863.26	38,663.78
Total Assets		115,019.34	81,304.98
Equity and Liabilities			
Equity			
Equity share capital	14	728.72	642.11
Other equity	15 (a)	94,974.55	60,929.34
Total Equity		95,703.27	61,571.45
Liabilities			
Non-current Liabilities			
Financial liabilities			
i) Borrowings	16	1,144.07	1,139.43
ii) Lease liabilities	33	5,304.75	5,747.27
Provisions	18	452.40	300.20
Total Non-current Liabilities		6,901.22	7,186.90
Current Liabilities			
Financial liabilities			
i) Borrowings	16	844.67	2,072.99
ii) Lease liabilities	33	1,883.47	1,592.41
iii) Trade payables	20		
(a) Total outstanding dues of micro and small enterprises		31.18	29.70
(b) Total outstanding dues of creditors other than micro and small enterprises		7,801.97	6,695.56
iv) Other financial liabilities	17	844.60	1,321.36
Provisions	18	241.61	174.11
Other current liabilities	19	767.35	660.50
Total Current Liabilities		12,414.85	12,546.63
Total Liabilities		19,316.07	19,733.53
Total Equity and Liabilities		115,019.34	81,304.98
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: May 19, 2023

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

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

Amit Agarwal
Chief Financial Officer

Place: Goa
Date: May 19, 2023

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Goa
Date: May 19, 2023

Standalone Statement of Profit and Loss

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Particulars	Notes	March 31, 2023	March 31, 2022
Income			
Revenue from contracts with customers	21	66,586.61	59,109.96
Other income	22	3,311.74	1,698.59
Total Income (I)		69,898.35	60,808.55
Expenses			
Freight, handling and servicing costs	23	52,648.31	41,677.60
Purchase of traded goods		-	1,750.22
Change in inventory of traded goods	25	15.76	(28.75)
Employee benefits expense	24	12,174.84	11,774.62
Fair value loss on financial liabilities at fair value through profit or loss	16(d)	-	2,997.39
Finance costs	28	863.51	938.91
Depreciation and amortisation expense	27	6,569.68	4,781.66
Other expenses	26	5,636.16	5,530.20
Total Expenses (II)		77,908.26	69,421.85
Loss before exceptional items and tax (III = I-II)		(8,009.91)	(8,613.30)
Exceptional Items (IV)	29	(113.11)	(21.87)
Loss before tax (V = III+IV)		(8,123.02)	(8,635.17)
Tax expense			
Current tax		-	-
Deferred tax		-	-
Total tax expense (VI)		-	-
Loss for the year (VII = V+VI)		(8,123.02)	(8,635.17)
Other comprehensive income/(loss):			
a) Items that will not be reclassified to statement of profit or loss in subsequent periods			
- Re-measurement (loss)/gain on defined benefit plan		(8.84)	9.60
- Income tax relating to items that will not be re-classified to profit and loss		-	-
		(8.84)	9.60
b) Items that will be reclassified to statement of profit or loss in subsequent periods			
- Exchange differences on translation of foreign operations		(0.03)	0.04
- Income tax relating to items that will be re-classified to profit and loss		-	-
		(0.03)	0.04
Total other comprehensive (loss)/income for the year (VIII= a+b)		(8.87)	9.64
Total comprehensive loss for the year (IX=VII+VIII)		(8,131.89)	(8,625.53)
Loss per equity share (Face value ₹ 1 each)	30		
Basic (₹)		(11.36)	(14.50)
Diluted (₹)		(11.36)	(14.50)
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: May 19, 2023

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and Chief Business Officer
DIN: 01432123
Place: Goa
Amit Agarwal
Chief Financial Officer

Place: Goa
Date: May 19, 2023

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Goa
Date: May 19, 2023



Standalone Cash Flow Statement

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
A) Operating Activities		
Loss before tax	(8,123.02)	(8,635.17)
Adjustment to reconcile loss before tax to net cash flows		
Depreciation of property, plant and equipment	3,612.82	2,356.76
Amortisation of intangible assets	793.53	346.84
Depreciation of right-of-use assets	2,163.33	2,078.06
Allowances for doubtful debts and provision for lost shipment expense	826.63	1,235.88
Bad debt written off	0.03	1.47
Allowances for doubtful advances	90.79	13.76
Provision for diminution in value of non-current investments	113.11	21.87
Credit balance written back	(49.09)	(86.42)
Share-based payment expense	2,591.85	2,895.15
Interest expense	191.99	215.71
Interest on lease liability	668.03	717.46
Fair value gain on investment at fair value through profit or loss	(305.79)	(300.43)
Assets written off	33.92	2.05
Inventory written off	8.69	-
Gain on modification/termination of lease contracts	(151.51)	(155.80)
Interest income	(2,473.79)	(749.30)
Interest income on unwinding of discount on security deposits paid	(91.41)	(109.33)
Net gain on sale of current investments	(119.30)	(174.50)
Net gain on sale of non-current investments	-	(22.50)
Fair value loss on financial liabilities at fair value through profit or loss	-	2,997.39
(Profit)/Loss on disposal of property, plant and equipment	(20.52)	4.13
Operating profit/(loss) before working capital changes	(239.71)	2,653.08
Movements in working capital:		
Decrease in inventories	50.97	5.71
Increase in trade and other receivables	(1,344.27)	(3,259.84)
Increase in financial assets	(813.93)	(2,912.30)
(Increase)/Decrease in other assets	1,118.01	(1,629.83)
Increase in loans	(94.74)	(1,994.51)
Increase in trade payables	1,107.92	2,590.80
Increase in other liabilities	194.25	89.73
Increase in provisions	210.86	117.79
Cash flow from/(used in) operations	189.36	(4,339.36)
Income taxes paid (net)	(715.23)	(70.13)
Net cash used in operating activities (A)	(525.87)	(4,409.50)
B) Investing Activities		
Purchase of property, plant & equipment (including other intangible assets, capital work-in-progress and capital advances)	(5,942.25)	(5,342.10)
Proceeds from property, plant & equipment (including other intangible assets)	65.79	37.10
Asset acquisition through assets purchase agreement (refer note 36.1)	(67.70)	(1,848.67)
Investment in associates (refer note 36.3)	-	(2,518.94)
Proceeds from sale of investment in associates	-	22.50
Investment in unquoted equity instruments	(197.90)	-
Investment in subsidiaries	(481.89)	(15,507.21)
Proceeds from sale of financial assets - Liquid mutual fund units, debt instruments	5,924.14	25,586.70
Payment to acquire financial assets - Liquid mutual fund units, debt instruments	(5,199.84)	(32,252.52)
Proceeds from maturity of bank deposits (having maturity of more than 3 months)	13,978.30	9,169.10
Investments in bank deposits (having maturity of more than 3 months)	(43,572.51)	(7,629.38)
Interest received	1,332.20	1,335.79
Net cash used in investing activities (B)	(34,161.66)	(28,947.63)

Standalone Cash Flow Statement

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
C) Financing Activities		
Proceeds from issuance of equity share capital (net off expenses and including stock options exercised)	39,099.97	8,396.17
Proceeds from issuance of compulsorily convertible preference shares	-	956.22
Proceeds from issuance of share capital (Instruments entirely equity in nature)	-	25,501.56
Reimbursement from shareholders	272.29	-
(Repayment)/Proceeds from long-term borrowings (net)	(219.15)	221.57
Interest paid	(187.22)	(214.38)
Payment of interest portion of lease liabilities	(668.03)	(717.46)
Payment of principal portion of lease liabilities	(1,871.85)	(1,694.67)
(Repayments)/Proceeds of short-term borrowings	(859.93)	17.64
Net cash from financing activities (C)	35,566.08	32,466.65
Net increase/(decrease) in cash and cash equivalents (A+B+C)	878.55	(890.48)
Cash and cash equivalents at beginning of the year	1,638.03	2,528.51
Cash and cash equivalents at end of the year (refer note 12)	2,516.58	1,638.03
Non-cash financing activities	March 31, 2023	March 31, 2022
Gain on modification/termination of lease contracts (refer note 22.2)	(151.51)	(155.80)
Fair value loss on financial liability at fair value through profit and loss	-	2,997.39
Non-cash investing activities	March 31, 2023	March 31, 2022
Portion of market based measure of Spoton share-based payments scheme attributable to pre-combination service (refer note 36.2 (b))	-	106.74
Provision for termination benefit (Employee actuarial liability) (refer note 36.1 (b))	-	34.80
Security Deposits (assets) (refer note 36.1 (b))	-	(19.20)
Conversion of Loan given into equity investment (including interest accrued) (refer note 5)	1,820.00	-

Reconciliation of liabilities arising from financing activities:

Particulars	March 31, 2023	Cash Flows	Non-cash changes	March 31, 2022
Long-term borrowings	1,988.74	(219.15)	-	2,207.89
Short-term borrowings	-	(859.93)	-	859.93
Lease liabilities	7,188.22	(2,539.88)	2,388.42	7,339.68
Particulars	March 31, 2022	Cash Flows	Non-cash changes	March 31, 2021
Long-term borrowings	2,207.89	221.57	-	1,986.32
Short-term borrowings	859.93	17.64	-	842.29
Lease liabilities	7,339.68	(2,412.13)	1,596.21	8,155.60

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: May 19, 2023

**For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)**

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

Amit Agarwal
Chief Financial Officer

Place: Goa
Date: May 19, 2023

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Goa
Date: May 19, 2023



Standalone Statement of Changes in Equity

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

A. Equity Share Capital (refer note 14)

Particulars	Number	(₹ million)
Equity shares of ₹ 1 each issued (March 31, 2022: ₹ 1 each, March 31, 2021: ₹ 10 each) fully paid		
At March 31, 2021	1,667,930	16.33
Add: Issued during the year (including stock options exercised)	21,092,338	22.70
Add: Converted from CCCPS during the year (refer note 14 and note 16)	425,120,603	426.16
Add: Bonus shares issued during the year	17,656,835	176.57
Add: Amount called up during the year	-	0.35
Add: Equity shares arising on shares split from ₹ 10 to ₹ 1 per share	176,568,394	-
At March 31, 2022	642,106,100	642.11
Add: Issued during the year (including stock options exercised)	82,263,399	82.66
Add: Bonus shares issued during the year (refer note 15(a))	395,059	3.95
Add: Equity shares arising on shares split from ₹ 10 to ₹ 1 per share (refer note 15 (a))	3,950,591	-
At March 31, 2023	728,715,149	728.72
Particulars	Number	(₹ million)
Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹100 each (Series B, C, D, D1, E, F, H and I) issued, subscribed and fully paid		
At March 31, 2021	3,539,735	353.97
Add: Issued during the year	710,310	71.03
Less: Converted to equity during the year (refer note 14)	(4,250,045)	(425.00)
At March 31, 2022	-	-
Add: Issued during the year	-	-
At March 31, 2023	-	-

B. Other Equity (refer note 15) For the year ended March 31, 2023

Description	Attributable to the equity holders of the Company				Items of OCI	Total
	Reserves and Surplus	Share-Based Payment Reserve	Retained earnings	Reimbursement from shareholders		
Balance as at April 01, 2022						
Loss for the year	-	-	(56,380.29)	-	2.37	60,929.34
Other comprehensive income/(loss)						
- Re-measurement losses on defined benefit plans	-	-	(8.84)	-	-	(8.84)
- Exchange differences on translation of foreign operations	-	-	-	-	(0.03)	(0.03)
Total comprehensive loss						
Add: ESOPs exercised (transferred ₹ 848.47 million from share-based payment reserve)	920.17	-	-	-	(0.03)	(8,131.89)
Add: Securities premium on equity shares issued during the year	39,917.86	-	-	-	-	920.17
Less: Bonus share issued during the year	(3.95)	-	-	-	-	39,917.86
Less: Share issue expenses	(972.21)	-	-	-	-	(3.95)
Add: Reimbursement from shareholders	-	-	-	272.29	-	(972.21)
Less: Transferred to securities premium on exercise of stock options	-	(848.47)	-	-	-	272.29
Add: Share-based payment expense	-	2,591.85	-	-	-	(848.47)
Add: Employee stock option allocated to subsidiary companies	-	299.56	-	-	-	2,591.85
Balance as at March 31, 2023	153,517.89	5,602.99	(64,512.15)	272.29	2.34	94,974.55



Standalone Statement of Changes in Equity

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Description	Attributable to the equity holders of the Company				Items of OCI		Total
	Securities premium	Share-Based Payment Reserve	Retained earnings	Reimbursement from shareholders	Business Transfer Adjustment Reserve	Exchange differences on translating the financial statements of a foreign operation	
Balance as at April 01, 2021	74,307.02	1,958.24	(47,754.72)	-	91.19	2.33	28,604.06
Loss for the year	-	-	(8,635.17)	-	-	-	(8,635.17)
Other comprehensive income/(loss)							
- Re-measurement gains on defined benefit plans	-	-	9.60	-	-	-	9.60
- Exchange differences on translation of foreign operations	-	-	-	-	-	0.04	0.04
Total comprehensive loss			(8,625.57)			0.04	(8,625.53)
Add: ESOPs exercised (transferred ₹ 1,589.15 million from share-based payment reserve)	1,864.23	-	-	-	-	-	1,864.23
Add: Securities premium on equity shares issued during the year	8,092.36	-	-	-	-	-	8,092.36
Add: Premium on conversion of preference share to equity share	4,138.45	-	-	-	-	-	4,138.45
Add: Securities premium on CCOPS issued during the year (series H and series I)	25,599.70	-	-	-	-	-	25,599.70
Less: Bonus share issued during the year	(176.57)	-	-	-	-	-	(176.57)
Less: Share issue expenses (series H and series I)	(169.17)	-	-	-	-	-	(169.17)
Less: Transferred to securities premium on exercise of stock options	-	(1,589.15)	-	-	-	-	(1,589.15)
Add: Share-based payment expense	-	2,895.15	-	-	-	-	2,895.15
Add: ESOP expenses on acquisition of subsidiary	-	106.74	-	-	-	-	106.74
Add: Employee stock option allocated to subsidiary companies	-	189.07	-	-	-	-	189.07
Balance as at March 31, 2022	113,656.02	3,560.05	(56,380.29)	-	91.19	2.37	60,929.34

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

per Yogesh Midha**Partner**

Membership No.: 094941

Place: New Delhi

Date: May 19, 2023

For and on behalf of the board of directors of Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia

Executive Director and

Chief Business Officer

DIN: 01432123

Place: Goa

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Chief Financial Officer

Place: Goa

Date: May 19, 2023

Sahil Barua

Managing Director and

Chief Executive Officer

DIN: 05131571

Place: Goa

Sunil Kumar Bansal

Company Secretary

FCS-4810

Place: Goa

Date: May 19, 2023

Notes

To the Standalone Financial Statements for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

1. Corporate Information

Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred to as "The Company" or "DELHIVERY"), was incorporated as SSN Logistics Private Limited on 22 Day of June 2011 under the provisions of the Companies Act, 1956. The Company changed its name to Delhivery Private Limited as of 8 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 – 110 037.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 29, 2021 and consequently the name of the Company has changed to Delhivery Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on October 12, 2021. Its shares got listed on two recognised stock exchange in India i.e. BSE and NSE on May 24, 2022.

The Company is engaged in the business of warehousing and last mile logistics and also involved in designing and deploying logistics management systems, provide logistics and supply chain consulting/advice, provide inbound/procurement support and other activities of a similar nature.

The financial statements for the year ended March 31, 2023, were approved by the Board of Directors and authorised for issue on May 19, 2023.

2.1 Basis of preparation

These financial statements have been prepared in accordance with the requirements of Indian Accounting Standard specified under Section 133 of the Companies Act, 2013 ("the Act"), read with of 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, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

These financial statements have been prepared under the historical cost convention on the accrual basis except certain financial instrument which are measured at fair values, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest million (as per the requirement of Schedule III), unless otherwise stated.

2.2 Summary of significant accounting policies

a) Use of estimates

The preparation of financial statements in conformity with the principles of Ind AS requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

b) Business combination and goodwill

Business combinations are accounted for using the acquisition method.

The Company determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisition method

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Company; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured



Notes

To the Standalone Financial Statements for the year ended March 31, 2023
CIN: L63090DL2011PLC221234
(All amounts in Indian Rupees in million, unless otherwise stated)

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 Companies cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value.

Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequently its settlement is accounted for within equity.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition

date. Any gains or losses arising from such remeasurement are recognised in the statement of profit and loss or other comprehensive income, as appropriate.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Foreign currencies

The Company's financial statements are presented in INR. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency is the currency of the primary economic environment in which the entities forming part of Company operates and is normally the currency in which the entities forming part of Company primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the exchange rates at the date of the transaction.

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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 profit and loss with the exception of the following:

- i) In the financial statements that include the foreign operation and the reporting entity (e.g. financial statements when the foreign operation is a branch), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit and loss on disposal of the net investment.
- ii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign branches

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Company uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.

Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz. April 01, 2016. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date

e) Fair value measurement

The Company measures financial instruments such as Investment in cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i) In the principal market for the asset or liability, or
- ii) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments at fair value. The team comprises of the Chief Financial Officer (CFO) and Finance Controller.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers



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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 Company's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

f) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit and loss as incurred.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on all property plant and equipment are provided on a written down value based on the estimated useful life of the asset, which is as follows:

Property, plant and equipment	Useful lives as per Schedule II	Useful lives estimated by management
Computer	3 years	3 years
Computer server	6 years	6 years
Office equipment	5 years	3-5 years
Furniture & Fittings	10 years	5 years
Vehicles	8 years	8 years
Plant and Machinery	10 years	5-10 years

Leasehold improvements are amortised over five years or life based on lease period.

The useful life of furniture and fittings, plant and machinery and office equipment are estimated as 5 years, 5-10 years and 3-5 years respectively. These lives are lower than those indicated in schedule II to Companies Act, 2013.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives based on management's technical assessment of their respective economic useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

g) Intangible assets

Intangible assets (mainly includes software and trade marks) acquired separately are measured on initial recognition at cost. The amortisation period and the amortisation method for an Intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

IT Softwares and Patents are to be depreciated over 5 years as its useful life.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Intangible assets acquired in business combination, include non-compete and customer relationship which are amortised over the period of five years on written down value basis.

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h) Leases

On initial application of Ind AS 116, the Company has taken the cumulative adjustment to retained earning and Lease equalisation reserve, consequently the Company discounted using the Company's incremental borrowing rate at April 01, 2019 whereas the Company has elected to measure ROU at its carrying amount as if Ind AS 116 had been applied since the lease commencement date, but discounted using the Company's incremental borrowing rate at April 01, 2019.

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

"If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (q) Impairment of non-financial assets."

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments

also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases

The Company applies the short-term lease recognition exemption to its properties (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

i) Inventories

Inventories are valued at lower of cost and net realisable value. Inventory primarily consist of packing material and consumables.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

j) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customers.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 31 of standalone financial statements.



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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 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 provide certain ancillary logistics services, such as handling of goods, customs clearance services etc. The service period for these services is usually for a very short duration, generally few days or weeks. Hence, revenue from these services is recognised over the service period as the Company perform the primary obligation of delivery of goods.

Other allied services includes:

- Revenue from supply chain services

Revenue from these services are recognised over time as the customer simultaneously avails the benefits of these services. Hence, the revenue from such services is recognised on a monthly basis, basis the amount fixed as per the agreements.

The Company collects Goods & Service Tax (GST) 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.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence

of significant financing components, non-cash consideration, and consideration payable to the customers (if any).

Dividend

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date.

Interest

Interest income is recognised when it is probable that the economic benefits will flow to the Company and amount of income can be measured reliably.

Contract balances

The Policy for Contract balances i.e. contract assets, trade receivables and contract liabilities is as follows:

Contract assets

A contract asset is the right to receive consideration in exchange for services already transferred to the customer (which consist of unbilled revenue). By transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is unconditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to deliver services to a customer for which the Company has received consideration or part thereof (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company deliver services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund and social security is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund/social security. The Company recognises 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 recognised as a liability after deducting

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the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit and loss in subsequent periods.

Past service costs are recognised in profit and loss on the earlier of:

- i) The date of the plan amendment or curtailment, and
- ii) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- 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 utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company also operates a leave encashment plan. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

l) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss,
- ii) In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from



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the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss,

- ii) In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

m) Share-based payments

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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o) Earning per share

Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity and preference shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions and Contingent liabilities

i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii) Contingent liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or is a present obligation that arises from past event but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised.

iii) Decommissioning liability ("Asset retirement obligation")

The Company records a provision for decommissioning costs of leasehold premises. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised 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 recognised in the statement of

profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e, the date that the Company commits to purchase or sell the asset.

Subsequent measurements

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets carried at amortised cost
- Financial assets at fair value through profit or loss (FVTPL)

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit and loss.

Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial assets instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the P&L.



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Equity instruments

The Company subsequently measures all equity investments in scope of Ind AS 109 at fair value, with net changes in fair value recognised in statement of profit and loss

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- i) The rights to receive cash flows from the asset have expired, or
- ii) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- i) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits and bank balance-
- ii) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade

receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

Financial assets measured as at amortised cost, contractual revenue receivables. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the

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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 Company's financial liabilities include Compulsorily Convertible Preference Shares, trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading or financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These

gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has designated CCPS to be measured at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit (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 Group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth



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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 statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

t) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Company's cash management.

u) Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised 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 recognised 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 recognised.

2.3 Change in accounting policies and disclosures

1. Change in EBITDA Policy

Up-to financial year ended March 31, 2021, the entity was disclosing Earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of statement of profit and loss. Effective financial ended March 31, 2022, the Company has omitted the disclosure of EBITDA.

This change aligns the entity's accounting policy with the general industry practice, thereby enhancing the comparability of the entity's financial statements with those of other market participants within the industry. This voluntary change in accounting policy has been disclosed by changing the presentation of comparative information for the preceding period.

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The change in accounting policy has impacted the financial statements as follows:

Statement of profit and loss	March 31, 2023 (without considering the effect of change in accounting policy)	Increase/ (decrease) due to change in accounting policy	March 31, 2023 (after considering the effect of change in accounting policy)	March 31, 2022 (without considering the effect of change in accounting policy)	Increase/ (decrease) due to change in accounting policy	March 31, 2022 (after considering the effect of change in accounting policy)
Other Income	746.54	2,565.20	3,311.74	839.96	858.63	1,698.59
Finance Income	2,565.20	(2,565.20)	-	858.63	(858.63)	-
Finance cost	863.51	-	863.51	938.91	-	938.91
Depreciation and amortisation expense	6,569.68	-	6,569.68	4,781.66	-	4,781.66
EBITDA	(3,141.92)	3,141.92	-	(3,751.36)	3,751.36	-

The change in accounting policy had no impact on previously reported financial position and cash flows from operating, investing and financing activities.

2(a) - New and amended standards

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no material impact on the standalone financial statements of the Company.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no material impact on the standalone financial statements of the Company.

(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no material impact on the standalone financial statements of the Company.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no material impact on the standalone financial statements of the Company.



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(v) Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated March 23, 2022, applicable for annual periods beginning on or after April 01, 2022. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after April 01, 2022. These amendments had no material impact on the standalone financial statements of the Company.

2(b) Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 01, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The Company is currently assessing the impact of the amendments. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 01, 2023. Consequential amendments have been made in Ind AS 107.

The Company is currently assessing the impact of the amendments. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 01, 2023.

The Company is currently assessing the impact of the amendments. The Company does not expect the amendment to have any significant impact in its standalone financial statements.

3. Property, plant and equipment

Particulars	Computers/ Servers	Office Equipment	Furniture and Fixtures	Vehicles #	Plant and Equipment	Leasehold Improvements	Land and Building (refer note 1)	Total	Capital work-in-progress
Gross carrying value									
At March 31, 2021	724.68	1,808.79	1,453.17	570.23	1,116.47	1,412.96	-	7,086.30	765.26
At April 01, 2021	724.68	1,808.79	1,453.17	570.23	1,116.47	1,412.96	-	7,086.30	765.26
Asset Acquired through assets purchase agreement (refer note 36 (1) (b))*	28.19	104.30	9.78	216.19	4.59	44.48	61.93	469.46	-
Additions	551.41	1,069.35	886.47	960.73	1,371.80	729.18	-	5,568.94	598.74
Disposals/capitalised during the year	(99.46)	(134.83)	(100.06)	(5.36)	(27.44)	(24.08)	-	(391.23)	(779.81)
At March 31, 2022	1,204.82	2,847.61	2,249.36	1,741.79	2,465.42	2,162.54	61.93	12,733.47	584.19
At April 01, 2022	1,204.82	2,847.61	2,249.36	1,741.79	2,465.42	2,162.54	61.93	12,733.47	584.19
Additions	289.17	812.92	1,219.84	1,327.59	1,155.62	794.88	-	5,600.02	214.74
Disposals/capitalised during the year	(218.32)	(323.50)	(100.65)	(72.48)	(33.94)	-	-	(748.89)	(583.54)
At March 31, 2023	1,275.67	3,337.03	3,368.55	2,996.90	3,587.10	2,957.42	61.93	17,584.60	215.39
Accumulated depreciation									
At March 31, 2021	532.66	1,135.39	997.69	408.83	773.70	860.43	-	4,708.70	-
At April 01, 2021	532.66	1,135.39	997.69	408.83	773.70	860.43	-	4,708.70	-
Charge for the year	256.14	548.12	369.37	278.28	526.29	378.56	-	2,356.76	-
Disposals	(92.82)	(114.71)	(95.55)	(5.09)	(25.71)	(16.61)	-	(350.49)	-
At March 31, 2022	695.98	1,568.80	1,271.51	682.02	1,274.28	1,222.38	-	6,714.97	-
At April 01, 2022	695.98	1,568.80	1,271.51	682.02	1,274.28	1,222.38	-	6,714.97	-
Charge for the year	443.47	816.24	763.54	530.50	456.78	602.29	-	3,612.82	-
Disposals during the year	(205.95)	(281.34)	(93.26)	(45.07)	(31.44)	-	-	(657.06)	-
At March 31, 2023	933.50	2,103.70	1,941.79	1,167.45	1,699.62	1,824.67	-	9,670.73	-
Net block									
Balance as on March 31, 2023	342.17	1,233.33	1,426.76	1,829.45	1,887.48	1,132.75	61.93	7,913.87	-
Balance as on March 31, 2022	508.84	1,278.81	977.85	1,059.77	1,191.14	940.16	61.93	6,018.50	-

Vehicles under loan contracts as at March 31, 2023 were ₹ 2,836.54 million (March 31, 2022: ₹ 1,522.22 million). Additions during the year ended March 31, 2023 is ₹ 1,314.32 million (March 31, 2022: ₹ 960.92 million). Loans assets are hypothecated as security for the related loan.



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Change in useful life of property plant and equipment

During the year ended March 31, 2023, based on its assessment of technical and other factors, the Company has re-assessed the useful life of certain property, plant and equipment as per below table. Pursuant to such change in useful life the loss before tax during the year ended March 31, 2023 has decreased by ₹ 811.51 million and loss per share has decreased from ₹ 12.50 to ₹ 11.36.

Particulars	Original useful life (years)	Revised useful life (years)	Decrease in Depreciation
Plant and Equipment (Sorters and Conveyors)	5	10	369.25
Vehicles	3.86	8	421.15
Leasehold improvements (Mega Facilities)	5	As per lease term	21.11
Total			811.51

Note 1: Title deeds of Immovable Property not held in the name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Land and Building	61.93	Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex')	No	December 06, 2021	Refer note below *

* The tangible assets pertaining to the overall asset acquisition of Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') are in the course of transfer from Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') to Delhivery Limited (formerly known as Delhivery Private Limited) and the said transfer shall be duly completed before March 31, 2024.

3(a). Capital work-in-progress (Ageing schedule)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2023					
Projects in progress	215.39	-	-	-	215.39
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2022					
Projects in progress	583.64	0.55	-	-	584.19
Projects temporarily suspended	-	-	-	-	-

4. Other intangible assets and Goodwill

Particulars	Software	Customer relationship	Non - compete	Others*	Patent	Total	Goodwill **	Intangible assets under development
Gross carrying value								
March 31, 2021	264.27	61.10	1.70	-	-	327.07	163.88	2.40
At April 01, 2021	264.27	61.10	1.70	-	-	327.07	163.88	2.40
Asset acquired on acquisition of business (refer note 36(1)(b))	0.42	488.87	180.61	724.90	-	1,394.80	-	-
Additions	164.25	-	-	-	-	164.25	-	20.29
Disposals	(7.17)	-	-	-	-	(7.17)	-	(7.70)
At March 31, 2022	421.77	549.97	182.31	724.90	-	1,878.95	163.88	14.99
At April 01, 2022	421.77	549.97	182.31	724.90	-	1,878.95	163.88	14.99
Asset Acquired through assets purchase agreement (refer note 36(1)(a))	-	-	67.70	-	-	67.70	-	-
Additions	69.22	-	-	-	0.27	69.49	-	18.26
Disposals	-	-	-	-	-	-	-	(13.81)
At March 31, 2023	490.99	549.97	250.01	724.90	0.27	2,016.14	163.88	19.44

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Particulars	Software	Customer relationship	Non - compete	Others*	Patent	Total	Goodwill **	Intangible assets under development
Accumulated amortisation								
At March 31, 2021	153.93	51.86	1.53	-	-	207.32	-	-
At April 01, 2021	153.93	51.86	1.53	-	-	207.32	-	-
Charge for the year	74.45	99.05	34.70	138.64	-	346.84	-	-
Disposals	(6.80)	-	-	-	-	(6.80)	-	-
At March 31, 2022	221.58	150.91	36.23	138.64	-	547.36	-	-
At April 01, 2022	221.58	150.91	36.23	138.64	-	547.36	-	-
Charge for the year	109.22	240.17	91.18	352.86	0.10	793.53	-	-
Disposals	-	-	-	-	-	-	-	-
At March 31, 2023	330.80	391.08	127.41	491.50	0.10	1,340.89	-	-
Balance as on March 31, 2023	160.19	158.89	122.60	233.40	0.17	675.25	163.88	19.44
Balance as on March 31, 2022	200.19	399.06	146.08	586.26	-	1,331.59	163.88	14.99

* Above balance of ₹ 724.90 million includes amount of Cross Border Franchisee Agreement - imports of ₹ 391.80 million and Cross Border Franchisee Agreement - exports of ₹ 333.10 million.

4(a). Intangible assets under development (Ageing schedule)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2023					
Projects in progress	17.72	1.72	-	-	19.44
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2022					
Projects in progress	14.99	-	-	-	14.99
Projects temporarily suspended	-	-	-	-	-

** The Company performs test for goodwill impairment at least annually on March 31, or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilise various assumptions, including operating results, business plans and projections of future cash flows. Any adverse changes in key assumptions about our businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of fair value and could result in an impairment charge.

The recoverable amounts of CGUs are based on value-in-use, which are determined based on five year business plans that have been approved by management for internal purposes. The said planning horizon reflects the assumptions for short-to-mid term market developments. Considering this and the consistent use of such robust five-year information for management reporting purposes, the Company uses five-year plans for the purpose of impairment testing. Management believes that this planning horizon reflects the assumptions for the expected performance in the markets in which the Company operates.

Management has done impairment analysis as on March 31, 2023 and did not find any impairment.

Assumptions considered while performing goodwill impairment testing are as follows:

EBITDA	The EBITDA margins have been estimated based on past experience after considering the impact of incremental revenue and synergies benefits that the Company will get in future due to increase in process efficiencies. Margins will be positively impacted from the efficiencies, growth in top line and cost rationalisation/others initiatives driven by the Company;
Discount Rate	Discount rate reflects the current market assessment of the risks specific to a CGU based on the weighted average cost of capital ('WACC') for respective CGU. Pre-tax discount rates used are 16.64% for the year ended March 31, 2023 (March 31, 2022: 20.73%). The WACC takes into account both debt and equity.
Growth rates	The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal/ external sources of information. The average terminal growth rate used in extrapolating cash flows beyond the planning period is 5% for March 31, 2023 and for March 31, 2022.



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5. Financial assets - Investments

Particulars	Non-Current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Investments at Cost				
(i) Investment in subsidiaries				
Investments in Unquoted equity instruments (fully paid)				
Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited)	-	-	-	-
5,510,000 (March 31, 2022: 5,510,000) equity shares of ₹ 10 each (At cost less provision for diminution in value ₹ 55.10 million (March 31, 2022: ₹ 55.10 million))				
Delhivery Corp Limited, London, United Kingdom	-	-	-	-
2,269,165 (March 31, 2022: 2,269,165) equity shares of 1 GBP each (At cost less provision for diminution in value ₹ 208.99 million (March 31, 2022: ₹ 208.99 million))				
Delhivery HK Pte Limited, Honk Kong	19.93	19.93	-	-
2,209,446 (March 31, 2022: 2,209,446) equity share of 1 HKD each				
Delhivery USA LLC, USA	780.97	493.54	-	-
11,631,060 (March 31, 2022: 6,631,060) equity shares of USD 1 each (At cost less provision for diminution in value ₹ 113.11 million (March 31, 2022: Nil))				
Orion Supply Chain Private Limited	0.10	0.10	-	-
10,000 (March 31, 2022: 10,000) equity shares of ₹ 10 each				
Delhivery Freight Services Private Limited#	1,820.10	0.10	-	-
40,510 (March 31, 2022: 10,000) equity shares of ₹ 10 each				
Spoton Logistics Private Limited	15,216.52	15,216.52	-	-
20,641,094 (March 31, 2022: 20,641,094) equity shares of ₹ 10 each				
Delhivery Singapore Pte. Ltd.	147.42	147.42	-	-
2,000,000 (March 31, 2022: 2,000,000) equity shares of USD 1 each				
Algorhythm Tech Private Limited	66.71	-	-	-
267,252 (March 31, 2022: Nil) equity shares of ₹ 10 each				
Investment in unquoted preference instruments				
Algorhythm Tech Private Limited	14.65	-	-	-
58,684 (March 31, 2022: Nil) preference shares of ₹ 10 each				
(ii) Investments in Associates				
FALCON AUTOTECH Private Limited	2,518.94	2,518.94	-	-
609,539 (March 31, 2022: 609,539) equity shares of ₹ 10 each (include security premium of ₹ 41,315 per share)				
(iii) Contribution by Parent Entity				
Investment in Delhivery Freight Services Pvt. Ltd	142.63	81.73	-	-
Investment in Delhivery USA LLC, USA	151.31	74.84	-	-
Investment in Delhivery Corp Limited, London, United Kingdom (At Cost less provision for diminution in value ₹ 202.40 million (March 31, 2022: ₹ 202.40 million))	-	-	-	-
Investment in Spoton Logistics Private Limited	154.11	75.23	-	-
Investment in Orion Supply Chain Private Limited	2.05	0.24	-	-
Investment in Delhivery Robotics LLC	76.46	15.22	-	-
Investment in Delhivery Singapore Pte. Ltd	17.51	-	-	-
Investment in Algorhythm Tech Private Limited	2.75	-	-	-
(iv) Investments at fair value through Profit & Loss				
Investments in Unquoted equity instruments (fully paid)				
Leapmile Logistics Private Limited	-	-	-	-
100 (March 31, 2022: 100) equity shares of ₹ 8,836.14 each (includes securities premium of ₹ 8,835.14) each fully paid up				

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Particulars	Non-Current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Moonshots Internet Private Limited	-	-	-	-
100 (March 31, 2022: 100) equity shares of ₹ 7,494.40 (includes security premium of ₹ 7,493.40) each fully paid up				
NAXR Logistics Private Limited	-	-	-	-
2,000 (March 31, 2022: 2,000) equity shares of ₹ 10,000 each (includes security premium of ₹ 9,990) each fully paid up				
Investments in Unquoted preference shares (fully paid)				
Boxseat Ventures Private Limited	197.90	-	-	-
19,790,425 (March 31, 2022: Nil) preference shares of ₹ 10 each fully paid up				
Leapmile Logistics Private Limited	-	-	-	-
3,472 (March 31, 2022: 3,472) preference shares of ₹ 8,836.14 (includes security premium of ₹ 8,835.14) each fully paid up				
Moonshots Internet Private Limited	-	-	-	-
31,924 (March 31, 2022: 31,924) preference shares of ₹ 7,494.40 (includes security premium of ₹ 7,493.40) each fully paid up				
NAXR Logistics Private Limited	-	-	-	-
105 (March 31, 2022: 105) preference shares of ₹ 14,245 each (includes security premium of ₹ 14,235) each fully paid up				
NAXR Logistics Private Limited	-	-	-	-
3,007 (March 31, 2022: 3,007) preference shares of ₹ 49,875 each (includes security premium of ₹ 49,865) each fully paid up				
Total (A = i+ii+iii+iv)	21,330.06	18,643.81	-	-
(v) Investments at fair value through Profit & Loss				
Perpetual Bond (Quoted)				
500 (March 31, 2022: 500) 9.45% State Bank Of India Series III Bd Perpetual of ₹ 1,006,010 (March 31, 2022: ₹ 1,071,393)	-	535.70	503.01	-
250 (March 31, 2022: 250) 9.90% ICICI Bank Limited Sr Dde18At 9.90 Bd Perpetual (31-Dec-2099) of ₹ 1,007,916 (March 31, 2022: ₹ 1,057,390)	-	264.35	251.98	-
Nil (March 31, 2022: 500) 8.85% HDFC Bank Basel iii Perpetual Bonds Series 1/2017-18 (12-May-2060) of Nil (March 31, 2022: ₹ 999,733)	-	499.87	-	-
Bonds(Quoted)				
119,318,071.47 (March 31, 2022: Nil) ABSL NIFTY SDL PSU BOND SEP 2026 of ₹ 10.49 (March 31, 2022: Nil)	1,251.41	-	-	-
Nil (March 31, 2022: 400) 7.09% Rec Limited Series 185 BD 13DC22 Fvrs10LAC of Nil (March 31,2022: ₹ 1,012,009)	-	-	-	404.80
Nil (March 31, 2022: 100) 7.24% Rec Limited Series 187 BD 31DC22 Fvrs10LAC of Nil (March 31, 2022: ₹ 1,017,783)	-	-	-	101.78
Nil (March 31, 2022: 200) 7.35% Power Finance Corporation Ltd. Series 191 BD 15OT22 Fvrs10LAC of Nil (March 31, 2022: ₹ 1,013,224)	-	-	-	202.64
Nil (March 31, 2022: 250) 9.02% Rec Bonds 22/11/2022 of Nil (March 31, 2022: ₹ 1,058,576.13)	-	-	-	264.64
7,360,000 (March 31, 2022: 7,360,000) Nippon India ETF Nifty CPSE Bond Plus SDL 2024 of ₹ 111.76 (March 31, 2022: ₹ 108.27)	822.55	796.87	-	-
11,000,000 (March 31, 2022: 11,000,000) Nippon India ETF Nifty CPSE Bond Plus SDL 2026 of ₹ 111.85 (March 31, 2022: ₹ 106.90)	1,230.35	1,175.90	-	-
Non-Convertible Debentures (Quoted)				
500 (March 31, 2022: 500) 9.45% State Bank of India NCD FV10Lac 22 Mar 2030 (22-Mar-2030) of ₹ 1,006,010 (March 31, 2022: ₹ 1,071,393)	-	535.70	503.01	-



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Particulars	Non-Current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Mutual fund (Quoted)				
Nil (March 31, 2022: 1,002,320.18) units of ICICI PRUDENTIAL MONEY MARKET FUND of Nil (March 31, 2022: ₹ 306.89)	-	-	-	307.61
Nil (March 31, 2022: 364,157.24) Direct-Kotak Money Market Scheme-Growth of Nil (March 31, 2022: ₹ 3,620.71)	-	-	-	1,318.51
24,567,626.27 (March 31, 2022: 51,251,015) Direct Plan-SBI Savings Fund-Growth of ₹ 37.57 (March 31, 2022: ₹ 35.56)	-	-	923.04	1,822.56
Nil (March 31, 2022: 391,506) HDFC MONEY MARKET DIRECT-GROWTH. Nil (March 31, 2022: ₹ 4,654.80)	-	-	-	1,822.38
100,608,713.40 (March 31, 2022: Nil) Bandhan CRISIL IBX Gilt April 2028 Index Fund of ₹ 10.95 (March 31, 2022: Nil)	-	-	1,101.59	-
198,748.15 (March 31, 2022: 198,748.15) Axis Banking & PSU Debt Direct-Growth of ₹ 2,288.57 (March 31, 2022: ₹ 2,187.06)	-	-	454.85	434.67
977,007 (March 31, 2022: 977,007) units of Bharat Bond ETF 2023-Growth of ₹ 1,229.07 (March 31, 2022: ₹ 1,170.44)	-	-	1,200.81	1,143.53
143,719,159.08 (March 31, 2022: Nil) Direct - ICICI Prudential Nifty PSU Bond Plus SDL Sep 2027 40:60 Index Fund Growth of ₹ 10.47 (March 31, 2022: Nil)	-	-	1,504.90	-
129,610,525.22 (March 31, 2022: Nil) Direct Plan-SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund Growth of ₹ 10.42 (March 31, 2022: Nil)	-	-	1,349.93	-
1,178,561 (March 31, 2022: 1,178,561) units of Bharat Bond ETF 2023-Growth of ₹ 1,224.34 (March 31, 2022: ₹ 1,172.56)	-	-	1,442.96	1,381.93
179,946,547.02 (March 31, 2022: 179,946,547.02) Bharat Bond FOF Apr-2025-Growth of ₹ 11.10 (March 31, 2022: ₹ 10.82)	-	-	1,997.78	1,947.56
142,643,506.90 (March 31, 2022: 142,643,506.90) Bharat Bond FOF Apr-2026-Growth of ₹ 11.07 (March 31, 2022: ₹ 10.74)	-	-	1,579.11	1,532.06
67,386,616.52 (March 31, 2022: 67,386,616.52) IDFC Corporate Bond Direct-Growth of ₹ 16.60 (March 31, 2022: ₹ 16.04)	-	-	1,118.77	1,080.89
689,928.54 (March 31, 2022: 689,928.54) Direct Plan-Kotak Floating of ₹ 1,283.41 (March 31, 2022: ₹ 1,227.33)	-	-	885.46	846.77
Total (B= v)	3,304.31	3,808.39	14,817.20	14,612.33
Total (A+B)	24,634.37	22,452.20	14,817.20	14,612.33
Other disclosures				
Aggregate book value of quoted investments	17,032.07	17,637.07		
Aggregate market value of quoted investments	18,121.51	18,420.72		
Aggregate amount of unquoted investments	21,330.06	18,643.81		
Aggregate amount of impairment in value of investments	579.59	466.48		

During the year ended March 31, 2023, Delhivery Freight Services Private Limited has allotted 30,510 equity shares to the Company in exchange of loan given outstanding of ₹ 1,620 million and interest accrued amounting to ₹ 200 million.

6. Inventories

Particulars	March 31, 2023	March 31, 2022
Inventories		
- Packing material and consumables	193.40	224.31
- Trading Goods	-	28.75
Total Inventories	193.40	253.06

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7. Trade Receivables

Particulars	March 31, 2023	March 31, 2022
Trade receivables	8,268.76	7,751.14
Total trade receivables	8,268.76	7,751.14

Break-up of trade receivables

Particulars	March 31, 2023	March 31, 2022
Trade receivables		
Unsecured, considered good	8,268.76	7,751.14
Trade Receivables-credit impaired	2,588.62	2,510.26
	10,857.38	10,261.40
Impairment Allowance (allowance for bad and doubtful debts)		
Unsecured, considered good	-	-
Trade Receivables-credit impaired	(2,588.62)	(2,510.26)
	(2,588.62)	(2,510.26)
Total Trade receivables	8,268.76	7,751.14

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

For terms and conditions relating to related party receivables, refer Note 35

Trade receivables includes:

Dues from companies in which the Company's non-executive directors is a director

- Tata Steel Limited	7.23	3.99
- Hindustan Unilever Limited (till February 11, 2023)	-	8.51
- Ashok Leyland Limited	12.05	28.37
- Marico Limited	63.11	65.46
- Bundl Technologies Pvt Ltd.	0.03	-

The allowance for bad and doubtful debts as of March 31, 2023 and changes in the allowance for doubtful accounts during the year ended on March 31, 2023 and March 31, 2022 were as follows:

Particulars	March 31, 2023	March 31, 2022
Opening balance	2,510.26	2,014.43
Add: Provision created during the year	826.63	1,361.96
Less: write offs, net of recoveries	(748.27)	(866.13)
Closing balance	2,588.62	2,510.26

Trade receivables ageing schedule for the year ended March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment [#]					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,394.17	4,913.88	680.64	143.32	106.21	30.54	8,268.76
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.50	14.07	54.95	244.21	306.24	479.71	1,099.68
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	91.55	418.62	248.85	147.17	514.61	68.14	1,488.94
Total	2,486.22	5,346.57	984.44	534.70	927.06	578.39	10,857.38

Ageing has been calculated from the date of transaction where no due date of payment is specified.



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Trade receivables ageing schedule for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment [#]					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	4,671.97	2,627.52	342.15	84.25	17.42	7.83	7,751.14
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.09	6.67	51.96	306.14	253.36	212.34	830.56
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	105.21	339.88	329.40	736.67	118.13	50.41	1,679.70
Total	4,777.27	2,974.07	723.51	1,127.06	388.91	270.58	10,261.40

Ageing has been calculated from the date of transaction where no due date of payment is specified.

8. Loans

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Unsecured, considered good				
Advance to employees	-	-	54.46	82.00
	-	-	54.46	82.00
Loans and advances to related parties (refer note 35)				
- Unsecured, Considered good	1,160.01	-	290.00	2,947.72
- Doubtful	-	-	93.81	93.81
	1,160.01	-	383.81	3,041.53
Impairment allowance (allowance for bad and doubtful balances)				
- Loans and advances to related parties - credit impaired	-	-	(93.81)	(93.81)
	1,160.01	-	290.00	2,947.72
	1,160.01	-	344.46	3,029.72

Loans or advances to specified related parties

Type of Borrower	March 31, 2023		March 31, 2022	
	Amount outstanding	% of Total	Amount outstanding	% of Total
Related Parties (refer note 35)	1,464.25	97%	2,972.52	98%

Disclosure as per the requirement of regulation 34 of the Securities and Exchange Board of India (Listing obligations and disclosure requirements) regulations, 2015:

The amounts at the year end and the maximum amount of loans and advances outstanding is as follows:

Particulars	March 31, 2023		March 31, 2022	
	Outstanding Balance	Maximum Amount Outstanding during the year	Outstanding Balance	Maximum Amount Outstanding during the year
Subsidiaries				
Delhivery Cross Border Services Private Limited *	93.81	93.81	93.81	93.81
Orion Supply Chain Private Limited	297.47	351.00	191.00	191.00
Spoton Logistics Private Limited	867.60	1,626.72	1,626.72	1,626.72
Delhivery Freight Services Private Limited	249.40	1,819.40	1,130.00	1,130.00
Algorhythm Tech Private Limited	35.54	35.54	-	-
	1,543.82	3,926.47	3,041.53	3,041.53

* Impairment allowance has been created for the loan of ₹ 93.81 million.

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9. Other Financial Assets

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Security deposits				
- Unsecured, considered good	724.85	593.10	1,323.57	929.86
- Doubtful	-	-	23.94	24.26
	724.85	593.10	1,347.51	954.12
Impairment allowance (allowance for bad and doubtful balances)				
- Security deposits - credit impaired	-	-	(23.94)	(24.26)
	724.85	593.10	1,323.57	929.86
Margin Money Deposits*	150.00	2,207.17	2,078.53	532.13
Deposits with original maturity for more than 12 months	2,500.41	884.80	25,761.95	772.61
	2,650.41	3,091.97	27,840.48	1,304.74
Other receivables				
- Unsecured, considered good	-	-	70.39	36.36
- Doubtful	-	-	31.44	31.44
	-	-	101.83	67.80
Impairment allowance (allowance for bad and doubtful balances)				
- Other receivables - credit impaired	-	-	(31.44)	(31.44)
	-	-	70.39	36.36
Accrued Income				
Unbilled receivable (refer note 21) **	-	-	6,254.83	5,965.53
Interest accrued on deposits	-	-	1,296.49	86.11
Interest accrued on investments	-	-	9.52	73.45
	-	-	7,560.84	6,125.09
Amount recoverable from third party agent- cash collected on our behalf	-	-	112.24	100.68
Money Held in Trust	-	-	1,535.72	1,851.79
Less: Liabilities against money held in trust	-	-	(1,535.72)	(1,851.79)
	-	-	112.24	100.68
Interest accrued on inter company deposits (refer note 35)				
- Unsecured, considered good	-	-	0.60	205.46
- Doubtful	-	-	31.87	31.87
	-	-	32.47	237.33
Impairment allowance (allowance for bad and doubtful balances)				
- Interest accrued on inter company deposits - credit impaired	-	-	(31.87)	(31.87)
	-	-	0.60	205.46
	3,375.26	3,685.07	36,908.12	8,702.19

* Margin money deposits include deposits given to the bank against bank guarantees issued to National Stock Exchange for IPO and balance towards working capital facilities and other business purpose:

Particulars	March 31, 2023	March 31, 2022
Banks	2,228.53	2,739.30
	2,228.53	2,739.30

** 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.



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10. Non-current tax assets (net)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Advance income tax	2,005.69	1,290.47	-	-
	2,005.69	1,290.47	-	-

11. Other assets

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Capital advances				
- Unsecured, considered good	312.11	182.23	-	-
- Doubtful	-	-	-	-
	312.11	182.23	-	-
Impairment allowance (allowance for bad and doubtful balances)				
- Capital advances - credit impaired	-	-	-	-
	312.11	182.23	-	-
Prepaid expenses	15.62	6.45	214.10	467.40
	15.62	6.45	214.10	467.40
Balance with statutory/government authorities	57.02	57.02	474.73	1,357.12
	57.02	57.02	474.73	1,357.12
Advance to suppliers				
- Unsecured, Considered good	-	-	625.91	708.19
- Doubtful	-	-	101.60	22.63
	-	-	727.51	730.82
Impairment allowance (allowance for bad and doubtful balances)				
- Advance to suppliers - credit impaired	-	-	(101.60)	(22.63)
	-	-	625.91	708.19
	384.75	245.70	1,314.74	2,532.71

12. Cash and Cash equivalents

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Balances with banks:				
- On current accounts	-	-	1,866.58	782.63
- In deposit accounts (with original maturity of less than 3 months)	-	-	650.00	1,000.00
	-	-	2,516.58	1,782.63

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Balances with banks:				
- On current accounts	-	-	1,866.58	782.63
- In deposit accounts (with original maturity of less than 3 months)	-	-	650.00	1,000.00
Bank overdraft repayable on demand (secured)	-	-	-	(144.60)
	-	-	2,516.58	1,638.03

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13. Other bank balances

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Balances with banks:				
- Deposits with original maturity of more than three months but less than 12 months	-	-	3,500.00	-
	-	-	3,500.00	-

14. Share capital

Particulars	March 31, 2023	March 31, 2022
Authorised Share Capital		
Equity Shares		
873,502,280 (March 31, 2022: 873,502,280) Equity Shares of ₹ 1 each (March 31, 2022 - ₹ 1 each)	873.50	873.50
Instruments Entirely Equity in Nature		
300,000 (March 31, 2022: 300,000) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹ 10 each (Series A)	3.00	3.00
4,660,337 (March 31, 2022: 4,660,337) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹ 100 each (Series B, C, D, D1, E, F, G, H and I)	466.03	466.03
	1,342.53	1,342.53
Issued, subscribed and fully paid-up shares		
Equity Shares		
728,715,149 (March 31, 2022: 642,106,100) Equity Shares of ₹ 1 each (March 31, 2022 - ₹ 1 each)	728.72	642.11
	728.72	642.11

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	March 31, 2023		March 31, 2022	
	Number	₹ million	Number	₹ million
Equity shares				
At the beginning of the year	642,106,100	642.11	1,667,930	16.33
Issued during the year (including stock options exercised)	82,263,399	82.66	21,092,338	22.70
Converted during the year	-	-	425,120,603	426.16
Issued during the year (partly paid)*	-	-	-	0.35
Bonus shares issued during the year (refer note 15(a))	395,059	3.95	17,656,835	176.57
Equity shares arising on shares split from ₹ 10 to ₹ 1 per share (refer note 15(a))	3,950,591	-	176,568,394	-
Outstanding at the end of the year	728,715,149	728.72	642,106,100	642.11

* During the year ended March 31, 2022, the Company has called up and received money for 38,701 shares of ₹ 9 per share.

Particulars	March 31, 2023		March 31, 2022	
	Number	₹ million	Number	₹ million
Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS)				
Series B				
At the beginning of the year	-	-	217,562	21.77
Converted into equity share during the year	-	-	(217,562)	(21.77)
Outstanding at the end of the year	-	-	-	-
Series C				
At the beginning of the year	-	-	365,310	36.53
Converted into equity share during the year	-	-	(365,310)	(36.53)
Outstanding at the end of the year	-	-	-	-



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Particulars	March 31, 2023		March 31, 2022	
	Number	₹ million	Number	₹ million
Series D				
At the beginning of the year	-	-	653,551	65.36
Converted into equity share during the year	-	-	(653,551)	(65.36)
Outstanding at the end of the year	-	-	-	-
Series D1				
At the beginning of the year	-	-	44,479	4.45
Converted into equity share during the year	-	-	(44,479)	(4.45)
Outstanding at the end of the year	-	-	-	-
Series E				
At the beginning of the year	-	-	801,139	80.11
Converted into equity share during the year	-	-	(801,139)	(80.11)
Outstanding at the end of the year	-	-	-	-
Series F				
At the beginning of the year	-	-	1,457,694	145.77
Converted into equity share during the year	-	-	(1,457,694)	(145.77)
Outstanding at the end of the year	-	-	-	-
Series H				
At the beginning of the year	-	-	-	-
Issued during the year	-	-	563,349	56.33
Converted into equity share during the year	-	-	(563,349)	(56.33)
Outstanding at the end of the year	-	-	-	-
Series I				
Issued during the year	-	-	146,961	14.70
Converted into equity share during the year	-	-	(146,961)	(14.70)
Outstanding at the end of the year	-	-	-	-

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Terms/rights attached to Instruments entirely equity in nature

The Company had issued 1,32,779 and 1,58,888 Series A Cumulative Compulsorily Convertible Preference Shares ('CCCPS') of ₹ 10 each fully paid-up at a premium of ₹ 215.94 per share on April 30, 2012 and November 01, 2012 respectively, Series B - 4,48,719 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 680 per share on September 26, 2013, Series C - 4,78,434 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 2,164.20 per share on September 09, 2014, Series D - 6,53,551 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 7,650 per share on May 08, 2015, Series D1 - 48,531 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 9,959 per share on October 17, 2016, Series E - 6,40,911, 160,228 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 10,747 per share on March 22, 2017 and May 17, 2017 respectively, Series F 14,57,694 shares of ₹ 100 each fully paid at a premium of ₹ 19,726 per share on March 7, 2019 and March 29, 2019, Series H 5,63,349 shares of ₹ 100 fully paid up at a premium of ₹ 35,555 per share on May 31, 2021 and Series I 1,46,961 shares of ₹ 100 fully paid up at a premium of ₹ 37,900 per share on September 02, 2021 respectively.

During the previous year, Board of Directors of the Company at its meeting dated January 13, 2022, have approved the conversion of 42,50,045 Cumulative Compulsorily Convertible Preference Shares (CCCPS) having a face value of ₹ 100 each into 42,50,04,500 Equity Shares having a face value of ₹ 1 each of the Company (in the ratio of 100:1 i.e. 100 equity shares of ₹ 1 each against one CCCPS of ₹ 100 each).

Voting Rights

The Investor shall have right to vote pro-rata to their shareholding.

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Liquidation

The holders of each series of Investor securities (other than sale shares) shall be entitled to be paid and otherwise receive distributions out of the liquidation proceeds, on a *pari passu* basis and prior to any payment or other distribution to any holders of Equity shares.

(d) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	Number	% holding in the class	Number	% holding in the class
Name of the shareholder				
Equity shares of ₹ 1 each fully paid				
SVF Doorbell (Cayman) Ltd.	106,098,269	14.56%	141,593,300	22.05%
Nexus Ventures III, Ltd.	57,406,800	7.88%	57,406,800	8.94%
CA Swift Investments*	18,404,607	2.53%	46,131,800	7.18%
Canada Pension Plan Investment Board (CPPIB)	43,881,500	6.02%	43,881,500	6.83%
SBI Mutual Fund	47,488,690	6.52%	-	-
Internet Fund III Pte. Ltd. *	12,055,573	1.65%	37,893,700	5.90%

*Although percentage of holding is less than 5% in current year reported above, the number of shares and percentage holding have been disclosed for comparison purpose.

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 38.

(f) During the year ended March 31, 2021 the Company had issued 38,701 equity shares of face value of ₹ 10 each to certain individuals at an issue price of ₹ 18,965 per Equity Share (including premium of ₹ 18,955 per Equity Share). In accordance with the terms of issue, ₹ 2,000 was received from the concerned allottees on application and shares were allotted. Further on September 24, 2021, company has received remaining issue money of ₹ 16,965 per share.

(g) Company is a professionally managed and does not have an identifiable promoter in terms of the Companies Act, 2013.

15 (a) Other equity

Particulars	March 31, 2023	March 31, 2022
Securities premium		
Balance as per the last financial statements	113,656.02	74,307.02
Add: ESOPs exercised (transferred ₹ 848.47 million (March 31, 2022: ₹ 1,589.15 million) from share-based payment reserve)	920.17	1,864.23
Add: Securities premium on equity shares issued during the year	39,917.86	8,092.36
Add: Securities premium on conversion of preference share to equity share	-	4,138.45
Add: Securities premium on CCCPS issued during the year (series H and series I)	-	25,599.70
Less: Bonus share issued during the year *	(3.95)	(176.57)
Less: Share issue expenses	(972.21)	(169.17)
	153,517.89	113,656.02
Reimbursement from shareholders	272.29	-
	272.29	-
Share-based payment reserve		
Balance as per the last financial statements	3,560.05	1,958.24
Add: ESOP expenses on acquisition of subsidiary (refer note 36.2 (b))	-	106.74
Add: Share-based payment expense	2,591.85	2,895.15
Add: Employee stock option allocated to subsidiary companies	299.56	189.07
Less: Transferred to securities premium on exercise of stock options	(848.47)	(1,589.15)
	5,602.99	3,560.05



Notes

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Particulars	March 31, 2023	March 31, 2022
Business transfer adjustment reserve		
Balance as per the last financial statements	91.19	91.19
	91.19	91.19
Retained earnings		
Balance as per last financial statements	(56,380.29)	(47,754.72)
Add: Loss during the year	(8,123.02)	(8,635.17)
Add: Re-measurement gains/(losses) on defined benefit plans	(8.84)	9.60
Net deficit in the statement of profit and loss	(64,512.15)	(56,380.29)
Exchange differences on translating the financial statements of a foreign operation		
Balance at the beginning of the year	2.37	2.33
Exchange differences on translating the financial statements of a foreign operation	(0.03)	0.04
	2.34	2.37
Total reserves and surplus	94,974.55	60,929.34

* In the previous year, On September 27, 2021, the Company had issued bonus shares in the ratio of 9:1 to the existing equity shareholders. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulsorily Convertible Preference Shares (CCPS) was made and the conversion ratio accordingly stood adjusted to 10:1 i.e. 10 Equity Shares of ₹ 10 each for every 1 CCPS of ₹ 100 each held by such CCPS holder, pursuant to such bonus issuance. Further, stock options outstanding (vested, unvested including lapsed and forfeited options available for reissue) were to be proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on Record Date will also be appropriately adjusted.

Similarly, On September 29, 2021, the Company had sub divided each 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 (CCPS) were made to reflect the impact of such sub-division. Therefore, stock options outstanding (vested, unvested including lapsed and forfeited options available for reissue) were to be proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on Record Date will also be appropriately adjusted.

Accordingly, during the year ended March 31, 2023 and March 31, 2022, the Company had issued bonus shares of ₹ 3.95 million (no. of bonus shares 395,059) and ₹ 176.57 million (no. of bonus shares 17,656,835) respectively.

15 (b) Nature and purpose of reserves

Retained earning

Retained earnings are the loss that the Company has incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

Business transfer adjustment reserve

Business transfer adjustment reserve is arising on common control business combinations accounting.

Exchange differences on translating the financial statements of a foreign operation

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Share-based payment reserve

The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

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16. Borrowings

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Term Loan				
Vehicle loan from bank (Secured) (refer note (a) below)	1,144.07	735.25	-	-
Secured bank loan (refer note (b) below)	-	404.18	-	-
	1,144.07	1,139.43	-	-
Others				
Current maturity of long-term borrowings				
- Vehicle loan from bank (refer note (a) below)	-	-	844.67	443.46
- Secured bank loan (refer note (b) below)	-	-	-	625.00
Bill discounting facility from the bank (secured) (refer note (c) below)	-	-	-	859.93
Working capital demand loan	-	-	-	33.64
Bank overdraft repayable on demand (secured)	-	-	-	110.96
	1,144.07	1,139.43	844.67	2,072.99
Compulsorily Convertible Preference Shares (refer note (d) below)	-	-	-	-
	1,144.07	1,139.43	844.67	2,072.99

Notes:

- (a) Vehicle Loans carries interest @6.50% to 8.75% (March 31, 2022: 6.51% to 9.55%) per annum and are repayable in 36 to 37 equated monthly instalments of ₹ 0.004 million (March 31, 2022: ₹ 0.02 million) to ₹ 0.25 million (March 31, 2022: ₹ 0.25 million) along with interest. The loan is secured by hypothecation of respective vehicles.
- (b) Loan has been availed from Axis Bank carrying interest rate @ One year MCLR+0.30% p.a. and One year MCLR+0.15% p.a. ranging 7% to 8% and was repayable in 48 equated monthly instalments (remaining instalment 23 as on March 31, 2022) of ₹ 20.83 million and ₹ 31.25 million plus interest thereon respectively. The loan was secured by a first charge over certain of the Company's movable property (not being pledge) and fixed deposits/Cash deposits.

During the year ended March 31, 2023, Company has settled outstanding secured bank loan on January 05, 2023 and has obtained no dues certificate from the bank.

- (c) Bill discounting facility has been availed from HDFC bank carrying floating rate of interest of 3 months MCLR plus 0.55% ranging from 7.55% to 7.82% on March 31, 2022. The facility is on the bills underlying raised with the respective principals. There was no payable amount against the facility availed as on March 31, 2023. Further Bill discounting facility has been availed from Axis bank carrying floating rate of interest of 3 months MCLR plus 0.40% ranging from 7.30% to 7.85% on March 31, 2022. The facility is on the bills underlying raised with the respective principals. The bill discounting is secured by lien on fixed deposits/cash deposit. There was no payable amount against the facility availed as on March 31, 2023.
- (d) During the year ended March 31, 2021, 46,441 (0.001% Series G) Compulsorily Convertible Preference Shares (CCPS), having a face value of ₹ 100 (Rupees One Hundred Only) each have been issued during the year at an issue price of ₹ 22,615; called and paid up ₹ 10. The rights exercised by the holder shall be in accordance with applicable laws i.e. exercisable to the extent of amount paid up. The Board shall make calls upon the holders of the Series G CCPS in respect of monies unpaid on the Series G CCPS (whether on account of the nominal value of the shares or premium), as and when it deems fit. After the Series G CCPS are fully paid-up, it will convert into equity shares of the Company, based on the conversion ratio based on share price multiple of Series F price, upon occurrence of a liquidation event or listing of securities of the Company on a recognised stock exchange.

Each Series G CCPS holder shall have the right to vote on all matters considered at a general meeting of the shareholders of the Company.

- (i) which directly affect the rights attached to the Series G CCPS;
- (ii) in connection with the winding up of the Company;
- (iii) in connection with the repayment or reduction of the equity or preference share capital of the Company.

Based on terms of the agreement and its evaluation under Ind AS 32, the Series G CCPS were classified as financial instrument in the nature of financial liability designated to be measured at fair value through profit or loss at each reporting date until these Series G CCPS are converted into equity shares and accordingly these were classified as financial liability under borrowing.



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During the previous year ended March 31, 2022, the Company has called up and received money for 46,441 shares of ₹ 90 per share. On September 24, 2021 Series G CCPS has been converted into equity shares in ratio 2.5:1 accordingly 46,441 CCPS were converted to 1,16,103 Equity Share of ₹ 10 each fully paid up. Prior to conversion, fair value loss has been recognised through financial statements of profit and loss and is disclosed as "Fair value loss on financial liability at fair value through profit and loss" of ₹ 2,997.39 million (refer note 37.2 (b)) for the year ended March 31, 2022.

Unused line of credit

The below table provides the details of un-drawn credit facilities that are available to the Company:

Particulars	March 31, 2023	March 31, 2022
Secured Loan	2,419.10	2,676.64
Bill discounting	750.00	390.07
	3,169.10	3,066.71

17. Other Financial Liabilities

Particulars	Current	
	March 31, 2023	March 31, 2022
Other Financial Liabilities Measured at Amortised Cost		
Interest accrued and not due on borrowings	7.68	2.92
Capital creditors	228.74	748.57
Employee welfare fund*	23.90	20.97
Amount payable, collected on behalf of the customers		
- Amount payable, collected on behalf of the customers	1,827.94	1,985.85
- Less: Liabilities against money held in trust	(1,535.72)	(1,851.79)
Employee benefit payable	77.72	241.56
Security deposit	214.34	173.28
	844.60	1,321.36

* The Employee Welfare Fund (EWF) is a fund to which both employee and employer contributes. The Employee Welfare Committee of the Company handles the EWF that is used to provide benefits to employees.

18. Provisions

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Provision for employee benefits				
- Provision for gratuity (refer note 32)	444.63	293.49	28.80	19.86
- Provision for compensated absences	-	-	212.81	154.25
	444.63	293.49	241.61	174.11
Other Provisions				
Provision for asset retirement obligation	7.77	6.71	-	-
	7.77	6.71	-	-
Total Provisions	452.40	300.20	241.61	174.11

Movement in above balances

Particulars	Asset retirement obligation
As at April 01 2021	4.90
Arising during the year	1.81
Utilised	-
As at March 31, 2022	6.71
Arising during the year	1.06
Utilised	-
As at March 31, 2023	7.77

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19. Other current liabilities

Particulars	Current	
	March 31, 2023	March 31, 2022
Others		
- Advance from customers	379.47	309.50
Statutory dues		
Withholding tax payable	294.49	274.44
Provident fund payable	75.59	64.18
Employee's state insurance payable	8.32	6.72
Professional tax payable*	8.48	5.52
Labour welfare fund payable	1.00	0.14
	767.35	660.50

*During the year ended March 31, 2023 and March 31, 2022, the Company has deducted Professional Tax from employees. The Company was able to deposit the Professional Tax in most of the cases except where registration is pending due to non-functioning of government portals. The Company is in the process of obtaining registration and the Professional Tax collected will be deposited once the aforesaid issues are resolved.

20. Trade Payables

Particulars	Current	
	March 31, 2023	March 31, 2022
Trade payable		
Total outstanding dues of micro and small enterprises (refer note 40 for details of dues to micro and small enterprises)	31.18	29.70
Total outstanding dues of creditors other than micro and small enterprises	7,801.97	6,695.56
	7,833.15	6,725.26

Trade payables are non-interest bearing and are normally settled on 0-60 days terms.

For explanations on the Company's credit risk management processes, refer note 37.

For terms and conditions relating to related party payables, refer note 35

Trade payable ageing schedule for the year ended March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
(i) MSME	-	16.58	14.60	-	-	-	31.18
(ii) Others	5,093.84	1,278.87	1,122.61	110.16	113.38	83.11	7,801.97
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	5,093.84	1,295.45	1,137.21	110.16	113.38	83.11	7,833.15

Trade payable ageing schedule for the year ended March 31, 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
(i) MSME	-	19.59	10.11	-	-	-	29.70
(ii) Others	4,253.95	1,441.73	820.72	99.21	37.41	42.54	6,695.56
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	4,253.95	1,461.32	830.83	99.21	37.41	42.54	6,725.26



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21. Revenue from Contracts with Customers

Particulars	March 31, 2023	March 31, 2022
Sale of services		
Revenue from services*	66,570.07	57,233.33
Sale of goods		
Revenue from sale of traded goods	16.54	1,876.63
	66,586.61	59,109.96
*includes		
Revenue from Express Parcel services	45,522.22	41,910.56
Revenue from Part Truck Load services	10,863.26	6,775.69
Revenue from Truck Load services	123.90	172.90
Revenue from Supply Chain services#	7,135.89	5,418.89
Revenue from Cross Border services	2,919.54	2,954.25
Others	5.26	1.04
	66,570.07	57,233.33

#Revenue from Supply Chain services includes Revenue from End-to-End services and Revenue from Warehousing services

Timing of rendering of services

Particulars	March 31, 2023	March 31, 2022
Services rendered over time	66,570.07	57,233.33
Total Revenue from Contract with customers	66,570.07	57,233.33

Revenue from sale of traded goods

Particulars	March 31, 2023	March 31, 2022
Goods transferred at a point in time	16.54	1,876.63
Total Revenue from Contract with customers	16.54	1,876.63

Reconciling the amount of revenue recognised in the standalone statement of profit and loss with the contracted price

Particulars	March 31, 2023	March 31, 2022
Revenue as per contracted price	67,150.02	59,915.08
Less: Credit note	(563.41)	(805.12)
	66,586.61	59,109.96

Contract Balances

The following table provides information about receivables, contracts assets, and contract liabilities from contracts with customers.

Particulars	March 31, 2023	March 31, 2022
Trade receivables (unconditional right to consideration)	8,268.76	7,751.14
Contract assets (refer note 1 below)	6,254.83	5,965.53
Contract liabilities (refer note 2 below)	379.47	309.50

Notes:

- The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.

Contract assets

Particulars	March 31, 2023	March 31, 2022
Opening balance	5,965.53	3,480.28
Add: Contract asset created during the year	6,254.83	5,965.53
Less: Contract asset billed during the year	(5,965.53)	(3,480.28)
Closing balance	6,254.83	5,965.53

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- Contract liability relates to payments received in advance of performance against which amount has been received from customer but services are yet to be rendered on the reporting date. Contract liabilities are recognised once the services are provided, being performance obligation of the Company.

Contract liabilities

Particulars	March 31, 2023	March 31, 2022
Opening balance	309.50	141.33
Add: Received during the year	242.10	315.09
Less: Revenue recognised	(123.04)	(60.50)
Less: Write-back	(49.09)	(86.42)
Closing Balance	379.47	309.50

22. Other Income

Particulars	March 31, 2023	March 31, 2022
22.1 Finance Income		
Interest Income on		
- Bank deposits at amortised cost	1,957.60	206.90
- Non-current investments	172.43	327.42
- Inter-corporate loans at amortised cost	299.88	185.34
- Income tax refund	40.82	28.14
- Unwinding of discount on security deposits paid at amortised cost	91.41	109.33
- Others	3.06	1.50
Total Finance Income (A)	2,565.20	858.63
22.2 Other Income		
Net gain on mutual funds:		
- Fair value gain on Investment at fair value through profit or loss	305.79	300.43
- Net gain on sale of current investments	119.30	174.50
Profit on disposals of property plant and equipment	20.52	-
Net gain on sale of non current investments	-	22.50
Gain on modification/termination of lease contracts	151.51	155.80
Credit balance written back	49.09	86.42
Business support service (refer note 35)	76.04	60.57
Royalty income (refer note 35)	1.32	-
Miscellaneous income	22.97	39.74
Total Other Income (B)	746.54	839.96
Grand Total (A+B)	3,311.74	1,698.59

23. Freight, Handling and Servicing Costs

Particulars	March 31, 2023	March 31, 2022
Line haul expenses	20,781.50	17,805.45
Contractual manpower expenses	8,827.92	7,091.40
Vehicle rental expenses	15,228.13	12,239.96
Rent	2,664.86	1,428.22
Other operating cost (refer note 35)	866.47	-
Security expenses	895.53	742.55
Power, fuel & water charges	1,681.80	1,196.38
Packing material	235.85	188.60
Stores and spares	191.02	284.45
Lost shipment expense (net)	1,275.23	700.59
	52,648.31	41,677.60



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24. Employee Benefits Expense

Particulars	March 31, 2023	March 31, 2022
Salaries, wages and bonus*	8,299.58	7,952.90
Contribution to provident and other funds**	504.84	368.26
Share-based payment expense (refer note 38)	2,591.85	2,895.15
Gratuity expense (refer note 32)	195.86	98.18
Staff welfare expenses	582.71	460.13
	12,174.84	11,774.62

* above includes ₹ 1,737.90 million towards one-time bonus paid to eligible employees of the Company during the year ended March 31, 2022.

** Defined contribution plan

25. Change in inventories of traded goods

Particulars	March 31, 2023	March 31, 2022
Inventory at the beginning of the year	28.75	-
Inventory written off (refer note 26)	(8.69)	-
Inventory lost during transit	(4.30)	-
Inventory at the end of the year	-	28.75
Decrease/(Increase) in inventory	15.76	(28.75)

26. Other Expense

Particulars	March 31, 2023	March 31, 2022
Allowances for recoverable from third party agent	2.90	6.97
Rates and taxes	113.13	34.66
Business development expenses	206.46	116.82
Repairs & Maintenance		
- Building	161.86	134.42
- Computers	20.27	24.74
- Others	460.29	332.76
Allowances for doubtful debts	375.71	1,081.40
Bad debts written off	0.03	1.47
Payment gateway charges	40.71	65.62
Cash management service charges	279.99	386.60
Housekeeping expenses	458.17	343.64
Allowances for doubtful advances	90.79	13.76
Travelling and conveyance	748.25	597.38
Loss on disposal of property, plant and equipment (net)	-	4.13
Inventory written off	8.69	-
Communication cost	220.64	232.08
Software and technology expenses	1,599.10	1,415.72
Legal and professional fees	262.06	375.72
IPO Expenses	164.77	-
Audit fees*	14.76	8.34
Director's remuneration (refer note 35)	45.62	29.74
Printing and stationery	87.43	91.99
Assets written off	33.92	2.05
Insurance expense	80.83	58.23
Recruiting expenses	30.96	65.29
Foreign exchange loss (net)	4.76	24.10
Miscellaneous expenses	124.06	82.57
	5,636.16	5,530.20

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*Audit Fees

Particulars	March 31, 2023	March 31, 2022
As Auditor		
Audit fee	8.25	8.25
Limited Review	3.85	-
In Other Capacity		
Other services	1.76	0.08
Reimbursement of expense	0.90	0.01
	14.76	8.34

27. Depreciation and amortisation expense

Particulars	March 31, 2023	March 31, 2022
Depreciation of property, plant and equipment (refer note 3)	3,612.82	2,356.76
Depreciation of right-of-use assets (refer note 33)	2,163.33	2,078.06
Amortisation of intangible assets (refer note 4)	793.53	346.84
	6,569.68	4,781.66

28. Finance Cost

Particulars	March 31, 2023	March 31, 2022
Interest at amortised cost		
- to banks	171.82	147.51
- bill discounting	19.71	67.21
- on lease liabilities (refer note 33)	668.03	717.46
- to others	0.46	0.98
Others		
-Bank charges	3.49	5.75
	863.51	938.91

29. Exceptional Items

Particulars	March 31, 2023	March 31, 2022
Provision for diminution in valuation of non-current investment		
- Delhivery Corp Limited, London, United Kingdom	-	21.87
- Delhivery USA LLC, USA	113.11	-
	113.11	21.87

30. Earnings per share (EPS)

Basic/Diluted EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the Company by the weighted average number of shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2023	March 31, 2022
Loss attributable to equity holders of the Company	(8,123.02)	(8,635.17)
Weighted average number of equity at the year end in calculating basic EPS	715.16	595.35
Weighted average number of equity at the year end in calculating diluted EPS	715.16	595.35
Basic Loss per equity share	(11.36)	(14.50)
Diluted Loss per equity share	(11.36)	(14.50)

There are potential equity shares as on March 31, 2023 and March 31, 2022 in the form of stock options issued. As these are antidilutive, they are ignored in the calculation of diluted loss per share and accordingly the diluted loss per share is the same as basic loss per share.



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The weighted average number of shares takes into account the weighted average effect of changes in Compulsorily Convertible Preference Shares during the year.

On September 27, 2021, the Company issued bonus shares in the ratio of 9:1 to the existing equity shareholders. Further, appropriate adjustments, to the conversion ratio of outstanding Compulsorily Convertible Preference Shares (CCCPS) has been made and the conversion ratio accordingly stands adjusted to 10:1 i.e. 10 Equity Shares of ₹ 10/- each for every 1 CCCPS of ₹ 100 each held by such CCCPS holder, pursuant to such bonus issuance.

On September 29, 2021, the Company has sub divided equity shares having a face value of ₹ 10 each into 10 equity shares having a face value of ₹ 1 each. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulative Compulsorily Convertible Preference Shares (CCCPS) has been made to reflect the impact of such sub-division.

The Board of Directors of the Company at its meeting dated January 13, 2022, have approved the conversion of 42,50,045 Cumulative Compulsorily Convertible Preference Shares (CCCPS) having a face value of ₹ 100 each into 42,50,04,500 Equity Shares having a face value of ₹ 1 each of the Company (in the ratio of 100:1 i.e. 100 equity shares of ₹ 1 each against one CCCPS of ₹ 100 each).

The impact of the above has been considered in the calculation of Basic and Diluted Loss per equity share.

31. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Share-based payments

Employees of the Company receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). In accordance with the Ind AS 102 Share Based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit recognised in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality table. The mortality table tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 32.

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Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful Life of property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

Depreciation on all property plant and equipment are provided on a written-down value method based on the estimated useful life of the asset. The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives based on management's assessment of their respective economic useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets. An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on Derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Impairment of investments in subsidiaries

The Company reviews its carrying value of investments carried at amortised cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Impairment of goodwill

The Company estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies.

Loss allowance on trade receivables:

Provision for expected credit losses of trade receivables and contract assets. The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e. gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 7. The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



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Business combinations

During the year ended March 31, 2023 and March 31, 2022, the Company had made an acquisition (refer Note 36.2). The assets acquired were recognised at fair value at the date of acquisition. Goodwill was recognised as the remaining portion of the purchase price that was not allocated to the acquired assets as part of the purchase price allocation. To determine the fair values of individual assets acquired including property, plant and equipment, non-compete and customer relationships, complex valuation models based on assumptions were used. This measurement was dependent on estimates of future cash flows as well as the cost of capital applied.

Assets Acquisitions

During the year ended March 31, 2023 and March 31, 2022, the Company had made an asset acquisition (refer note 36.1). The assets acquired were recognised at fair value at the date of acquisition. To determine the fair values of individual assets acquired including property, plant and equipment, non-compete and customer relationships, complex valuation models based on assumptions were used. This measurement was dependent on estimates of future cash flows as well as the cost of capital applied.

Revenue Recognition (Ind AS 115)

The allocation of the transaction price over timing of satisfaction of performance obligation: Under the revenue recognition standard Ind AS 115 revenue has been recognised when control over the services transfers to the customer i.e. when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits. The revenue from logistics service is recognised over a period of time.

The Company has recognised the revenue in respect of undelivered shipments to the extent of completed activities undertaken with respect to delivery. At year end, the Company, based on its tracking systems classifies the ongoing shipments in transit into stages of delivery (first mile, linehaul, last mile) and applies estimated percentage of service completion to recognise revenue which is calculated on the basis of number of days the shipment has been in transit from the pickup date till reporting date as a percentage of average days taken to deliver these shipments from the pickup date.

Leases

The lease payments shall include fixed payments, variable lease payments, residual value guarantees and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

32. Gratuity plan

The Company has a defined benefit gratuity plan. The gratuity plan of India is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who are in continuous service of five years are entitled to specific benefit. The level of benefits provided depends on the employees length of service and salary at retirement age. The gratuity plan is an unfunded plan and the Company does not make contribution to recognised funds.

The following tables summarise the components of net benefit expense recognised in the standalone statement of profit and loss and amounts recognised in the standalone statement of assets and liabilities for the Gratuity:-

Benefit liability	March 31, 2023	March 31, 2022
Opening defined benefit obligation	313.35	219.29
Acquisition through assets purchase agreement	-	29.35
Past Service Cost	59.17	-
Interest cost	24.73	17.78
Current Service Cost	111.96	80.40
Benefits Paid	(44.62)	(23.87)
Actuarial (gain)/loss on obligation	8.84	(9.60)
Closing defined benefit obligation	473.43	313.35

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Expense Recognised in the statement of Profit and Loss

Gratuity Cost for the year	March 31, 2023	March 31, 2022
Current Service Cost	111.96	80.40
Past Service Cost	59.17	-
Interest Cost	24.73	17.78
Net Gratuity Cost	195.86	98.18

Remeasurement gains/(losses) in other comprehensive income	March 31, 2023	March 31, 2022
Actuarial changes arising from changes in financial assumptions	(3.06)	16.56
Experience adjustments	(5.78)	(6.96)
Amount recognised in OCI during the year	(8.84)	9.60

Actuarial assumptions

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.39%	7.26%
Salary Growth Rate	7.00%	7.00%
Mortality	IALM(2012-14) ultimate	IALM(2012-14) ultimate
Attrition rate		
Up to 30 years	15.00%	15.00%
Between 31 and 44 years	7.00%	7.00%
Above 44 years	2.00%	2.00%
Normal retirement age	60 years	60 years

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered taking into account the inflation, seniority, promotion and other relevant factors.

Attrition rate: The estimate of future employee turnover.

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 and March 31, 2022 is as shown below:

Particulars	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Sensitivity level	Discount rate increase by 0.5%		Discount rate decrease by 0.5%	
Impact on defined benefit obligation	(25.32)	(16.35)	27.97	18.08
Sensitivity level	Future salary increase by 0.5%		Future salary decrease by 0.5%	
Impact on defined benefit obligation	25.69	16.74	(23.73)	(15.52)

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 sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 11.48 years (March 31, 2022: 11.39 years).

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting period)	24.58	15.63
Between 2 and 5 years	50.17	75.33
More than 5 years	594.10	409.83
Total expected payments	668.85	500.79



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33. Leases

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Amount
As at April 01, 2021	7,828.12
Additions	1,840.29
Deletions	(735.74)
Depreciation expense (refer note 27)	(2,078.06)
As at March 31, 2022	6,854.61
Additions	2,769.94
Deletions	(853.05)
Depreciation expense (refer note 27)	(2,163.33)
As at March 31, 2023	6,608.17

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Amount
As at April 01, 2021	8,155.60
Additions	1,770.38
Accretion of interest (refer note 28)	717.46
Payments	(2,412.13)
Deletion	(891.63)
As at March 31, 2022	7,339.68
Additions	2,724.95
Accretion of interest (refer note 28)	668.03
Payments	(2,539.88)
Deletion	(1,004.56)
As at March 31, 2023	7,188.22

Particulars	March 31, 2023	March 31, 2022
Current	1,883.47	1,592.41
Non-current	5,304.75	5,747.27

The following are the amounts recognised in Statement of Profit or Loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of right-of-use assets (refer note 27)	2,163.33	2,078.06
Interest expense on lease liabilities (refer note 28)	668.03	717.46
Expense relating to short-term leases (refer note 23)	2,664.86	1,428.22
Gain on modification/termination of lease contracts (refer note 22)	(151.51)	(155.80)
Total amount recognised in Profit or Loss	5,344.71	4,067.94

The Company has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Company's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised and has assessed that the Company is reasonably certain to exercise the extension options, while not exercising the termination option. Accordingly, there are no undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The effective interest rate for lease liabilities based on the duration of leases is -
0 - 36 months - 7.85% p.a. (March 31, 2022: 7.50% p.a.)
37 - 72 months - 8.15% p.a. (March 31, 2022: 8.00% p.a.)
73 months & Above - 8.75% p.a. (March 31, 2022: 8.25% p.a.)

Rental expense recorded for short-term leases was ₹ 2,664.86 million in the year ended March 31, 2023 (March 31, 2022: ₹ 1,428.22 million).

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The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the standalone Statement of Profit and Loss.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	2,406.90	2,218.63
One to four years	4,602.07	4,739.97
More than four years	1,707.04	2,140.65
Closing balance	8,716.01	9,099.25

34. Commitments and contingencies

A. Capital and other commitments

a) Capital commitment (net of advances) as on March 31, 2023 is ₹ 1,562.64 million (March 31, 2022: 1,532.15 million).

B. Contingent Liability:

Particulars	As at March 31, 2023	As at March 31, 2022
Claims against the Company not acknowledged as debts		
Tax matter in appeal : Income Tax	344.92	344.92

* The claims against the Company comprises of:

The Company received Assessment Order dated December 26, 2018 for FY 2015-2016 i.e. A.Y 2016-17 wherein the Assessing Officer (AO) raised Income tax demand of ₹ 1,835.7 million under Income Tax Act, 1961. The Company has filed appeal in respect of the above demand which is pending at Commissioner of Income Tax (Appeals). The Company filed rectification petition under Section 154 of the IT Act, wherein the Company was allowed to set-off business loss and unabsorbed depreciation and demand was revised to ₹ 344.9 million accordingly vide order dated September 15, 2021.

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required and hence these demands have been disclosed as contingent liability.

C. There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on subject.

35. Related party transactions

Names of related parties and related party relationship:

Related parties under Ind AS 24:

Entities with significant influence over the Company	SVF Doorbell (Cayman Limited)
Subsidiaries	Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited) Delhivery USA LLC Delhivery Corp Limited, London, United Kingdom Delhivery HK Pte. Ltd. Orion Supply Chain Private Limited Delhivery Freight Services Pvt Ltd. Delhivery Singapore Pte. Ltd (w.e.f. August 02, 2021) Spoton Logistics Private Limited (w.e.f. August 24, 2021) Algorhythm Tech Private Limited (w.e.f. January 13, 2023)
Step Down Subsidiaries	Delhivery Robotics LLC (w.e.f. August 23, 2021) Spoton Supply Chain Solutions Private Limited (formerly known as RAAG Technologies and Services Private Limited) (w.e.f. August 24, 2021) Delhivery Logistics (Shenzhen) Company Limited (w.e.f. December 14, 2022) Delhivery Bangladesh Logistics Pvt. Ltd. (w.e.f. January 23, 2023)
Associate	Leucon Technology Private Limited (till November 19, 2021) FALCON AUTOTECH Private Limited (w.e.f. January 04, 2022)



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Key Management Personnel ("KMP")	Mr. Sahil Barua	
		Director and Chief Executive Officer (Redesignated as Managing Director and Chief Executive Officer w.e.f. October 13, 2021)
	Mr. Amit Agarwal	Chief Financial Officer
	Mr. Ajith Pai Mangalore	Chief Operating Officer
	Mr. Sandeep Kumar Barasia	Whole-Time Director and Chief Business Officer (Redesignated as Executive Director on October 13, 2021)
	Mr. Kapil Bharti	Whole-Time Director and Chief Technology Officer (Redesignated as Executive Director on October 13, 2021)
	Mrs. Pooja Gupta	Chief People Officer (w.e.f. April 01, 2021)
	Mr. Suraj Saharan	Head - Orion (till August 01, 2021) and Head - New Ventures (w.e.f. August 02, 2021)
	Ms. Kriti Gupta	Company Secretary (till June 18, 2021)
	Mr. Vivek Kumar	Company Secretary (w.e.f. June 19, 2021 till September 17, 2021)
	Mr. Sunil Kumar Bansal	Company Secretary and Compliance Officer (w.e.f. September 17, 2021)
	Mr. Suvir Suren Sujan	Non-Executive Director (w.e.f. May 24, 2022) and Nominee Director (till May 23, 2022)
	Mr. Gautam Sinha	Nominee Director (till October 22, 2021)
	Mr. Srivatsan Ranjan	Non-Executive Director (Redesignated as Non-Executive - Independent Director w.e.f. October 01, 2021)
	Mr. Neeraj Bhardwaj	Nominee Director (till October 13, 2021)
	Mr. Deep Verma	Nominee Director (till October 13, 2021)
	Mr. Deepak Kapoor	Non-Executive Director (Redesignated as Chairman and Non-Executive - Independent Director w.e.f. October 01, 2021)
	Ms. Hanne Birgitte Breinbjerg Sorensen	Non-Executive Director (resigned w.e.f. October 01, 2021)
	Ms. Anjali Bansal	Non-Executive Director (resigned w.e.f. September 16, 2021)
	Mr. Munish Ravinder Varma	Nominee Director (resigned w.e.f. June 29, 2022)
	Mr. Sumer Juneja	Nominee Director (resigned w.e.f. October 22, 2021)
	Mr. Agus Tandiono	Nominee Director (resigned w.e.f. April 08, 2022)
	Mr. Jiang Bo	Nominee Director (resigned w.e.f. October 13, 2021)
	Mr. Romesh Sobti	Non-Executive - Independent Director (w.e.f. October 01, 2021)
	Mr. Saugata Gupta	Non-Executive - Independent Director (w.e.f. October 01, 2021)
	Ms. Kalpana Jaisingh Morparia	Non-Executive - Independent Director (w.e.f. October 13, 2021 till February 11, 2023)
	Mr. Donald Francis Colleran	Non-Executive - Nominee Director (w.e.f. December 24, 2021 till May 23, 2022) (redesignated as Non-Executive Director w.e.f. May 24, 2022)
	Ms. Aruna Sundararajan	Non-Executive - Independent Director (w.e.f. July 08, 2022)

Summary of transactions with the above related parties is as follows:

A) Transactions during the year :

Nature of transactions	Key management personnel		Subsidiaries		Associate		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Investments in Unquoted equity instruments (fully paid)								
Delhivery Corp Limited, London, United Kingdom	-	-	20.79	-	-	-	20.79	-
Delhivery Singapore Pte. Ltd.	-	-	147.42	-	-	-	147.42	-
Delhivery USA LLC	-	-	400.55	225.76	-	-	400.55	225.76
Spoton Logistics Private Limited	-	-	-	15,216.52	-	-	-	15,216.52
Algorithm Tech Private Limited	-	-	66.71	-	-	-	66.71	-
Investment in Unquoted preference instruments (fully paid)								
Algorithm Tech Private Limited	-	-	14.65	-	-	-	14.65	-
Investment in Associate- Equity Accounting								
FALCON AUTOTECH Private Limited	-	-	-	2,518.94	-	-	-	2,518.94
Loan Conversion to Equity Shares								
Delhivery Freight Service Private Limited	-	-	1,620.00	-	-	-	1,620.00	-
Interest on Loan Conversion to Equity								
Delhivery Freight Service Private Limited	-	-	200.00	-	-	-	200.00	-
Provision for Diminution in valuation of non-current investment								
Delhivery Corp Limited, London, United Kingdom	-	-	-	21.87	-	-	-	21.87
Delhivery USA LLC	-	-	113.11	-	-	-	113.11	-
Deemed Investment								
Delhivery USA LLC	-	-	76.47	27.62	-	-	76.47	27.62
Delhivery Freight Service Private Limited	-	-	60.90	61.32	-	-	60.90	61.32
Orion Supply Chain Private Limited	-	-	1.81	0.24	-	-	1.81	0.24
Delhivery Singapore Pte. Ltd.	-	-	17.51	-	-	-	17.51	-
Spoton Logistics Private Limited	-	-	78.88	75.23	-	-	78.88	75.23
Delhivery Robotics LLC	-	-	61.24	15.22	-	-	61.24	15.22
Algorithm Tech Private Limited	-	-	2.75	-	-	-	2.75	-
Delhivery Corp Limited, London, United Kingdom	-	-	-	1.07	-	-	-	1.07
Loan to related parties								
Orion Supply Chain Private Limited	-	-	160.00	90.00	-	-	160.00	90.00
Spoton Logistics Private Limited	-	-	-	1,626.72	-	-	-	1,626.72
Delhivery Freight Service Private Limited	-	-	940.00	460.00	-	-	940.00	460.00
Algorithm Tech Private Limited	-	-	35.54	-	-	-	35.54	-



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Nature of transactions	Key management personnel		Subsidiaries		Associate		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Loan Repaid								
Delhivery Freight Service Private Limited	-	-	200.60	-	-	-	200.60	-
Orion Supply Chain Private Limited	-	-	53.53	-	-	-	53.53	-
Spoton Logistics Private Limited	-	-	759.11	-	-	-	759.11	-
Other Income								
Interest income: Inter-corporate loans								
Orion Supply Chain Private Limited	-	-	22.53	14.26	-	-	22.53	14.26
Spoton Logistics Private Limited	-	-	122.66	89.44	-	-	122.66	89.44
Delhivery Freight Service Private Limited	-	-	154.02	81.64	-	-	154.02	81.64
Algorithm Tech Private Limited	-	-	0.67	-	-	-	0.67	-
Interest Payment								
Delhivery Freight Service Private Limited	-	-	43.90	-	-	-	43.90	-
Orion Supply Chain Private Limited	-	-	39.97	-	-	-	39.97	-
Spoton Logistics Private Limited	-	-	190.89	-	-	-	190.89	-
Purchase of PPE/(Sale of PPE)								
FALCON AUTOTECH Private Limited	-	-	-	-	637.14	-	637.14	-
Spoton Logistics Private Limited	-	-	0.28	-	-	-	0.28	-
Algorithm Tech Private Limited	-	-	(0.62)	-	-	-	(0.62)	-
Delhivery Singapore Pte. Ltd.	-	-	(0.07)	-	-	-	(0.07)	-
Delhivery Freight Service Private Limited	-	-	(1.25)	-	-	-	(1.25)	-
Service provided								
(a) Revenue from contracts with customers								
Delhivery HK Pte Ltd.	-	-	309.92	33.10	-	-	309.92	33.10
Spoton Logistics Private Limited	-	-	2,427.41	2.08	-	-	2,427.41	2.08
Spoton Supply Chain Solutions Private Limited	-	-	9.03	31.20	-	-	9.03	31.20
Leucon Technology Private Limited	-	-	-	-	-	9.18	-	9.18
(b) Other Income								
(i) Business support service								
Delhivery Freight Service Private Limited	-	-	45.47	60.57	-	-	45.47	60.57
Orion Supply Chain Private Limited	-	-	4.53	-	-	-	4.53	-
Delhivery USA LLC	-	-	3.96	-	-	-	3.96	-
Delhivery HK Pte Ltd.	-	-	0.91	-	-	-	0.91	-
Delhivery Cross - Border Services Private Limited	-	-	0.01	-	-	-	0.01	-
Delhivery Singapore Pte. Ltd.	-	-	0.26	-	-	-	0.26	-
Spoton Logistics Private Limited	-	-	20.90	-	-	-	20.90	-

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Nature of transactions	Key management personnel		Subsidiaries		Associate		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(ii) Royalty Income								
Orion Supply Chain Private Limited	-	-	1.32	-	-	-	1.32	-
Service received								
(a) Freight, Handling and Servicing Costs								
(i) Line haul expenses								
Spoton Logistics Private Limited	-	-	179.82	-	-	-	179.82	-
Delhivery HK Pte Ltd.	-	-	21.53	0.14	-	-	21.53	0.14
Orion Supply Chain Private Limited	-	-	-	16.76	-	-	-	16.76
Leucon Technology Private Limited	-	-	-	-	-	3.27	-	3.27
Delhivery Freight Service Private Limited	-	-	739.66	24.58	-	-	739.66	24.58
(ii) Other operating cost*								
Delhivery Singapore Pte. Ltd.	-	-	26.40	-	-	-	26.40	-
Delhivery HK Pte Ltd.	-	-	6.96	-	-	-	6.96	-
Spoton Logistics Private Limited	-	-	833.11	-	-	-	833.11	-
(iii) Others								
Spoton Logistics Private Limited (vehicle rental expenses)	-	-	78.42	-	-	-	78.42	-
Spoton Logistics Private Limited (contractual manpower expenses)	-	-	232.94	-	-	-	232.94	-
Spoton Logistics Private Limited (rent)	-	-	23.94	-	-	-	23.94	-
Spoton Logistics Private Limited (power, fuel & water charges)	-	-	7.17	-	-	-	7.17	-
Spoton Logistics Private Limited (packing material)	-	-	0.25	-	-	-	0.25	-
FALCON AUTOTECH Private Limited (stores and spares)	-	-	2.91	-	-	-	2.91	-
(b) Other Expense								
Delhivery USA LLC (Miscellaneous expenses)	-	-	20.71	3.26	-	-	20.71	3.26
FALCON AUTOTECH Private Limited (Repairs & Maintenance)	-	-	-	-	37.72	16.77	37.72	16.77
Reimbursement of expenses by subsidiary								
Spoton Logistics Private Limited	-	-	-	25.50	-	-	-	25.50
Reimbursement of expenses on behalf of subsidiary								
Spoton Logistics Private Limited	-	-	10.26	9.21	-	-	10.26	9.21
Delhivery Freight Service Private Limited	-	-	2.00	-	-	-	2.00	-
Orion Supply Chain Private Limited	-	-	0.26	-	-	-	0.26	-
Delhivery USA LLC	-	-	0.14	-	-	-	0.14	-
Delhivery HK Pte Ltd.	-	-	0.81	-	-	-	0.81	-
Delhivery Corp Limited, London, United Kingdom	-	-	0.14	-	-	-	0.14	-
Delhivery Cross - Border Services Private Limited	-	-	0.14	-	-	-	0.14	-
Delhivery Singapore Pte. Ltd.	-	-	0.42	-	-	-	0.42	-
Delhivery Robotics LLC	-	-	0.06	-	-	-	0.06	-
Delhivery Bangladesh Logistics Pvt. Ltd.	-	-	0.31	-	-	-	0.31	-

* During the year ended March 31, 2023, the Company has recorded expenses of ₹ 866.47 million towards operational services rendered by its subsidiary companies for facilitating its day-to-day operations.



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Nature of transactions	Key management personnel		Subsidiaries		Associate		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Remuneration to Key Managerial Personnel **								
Short-term employees benefits								
Mr. Sahil Barua	740.64	388.19	-	-	-	-	740.64	388.19
Mr. Suraj Saharan	94.02	89.58	-	-	-	-	94.02	89.58
Ms. Pooja Gupta	98.81	113.37	-	-	-	-	98.81	113.37
Mr. Kapil Bharati	304.63	519.21	-	-	-	-	304.63	519.21
Mr. Ajith Pai Mangalore	124.89	400.01	-	-	-	-	124.89	400.01
Mr. Amit Agarwal	139.58	374.41	-	-	-	-	139.58	374.41
Mr. Sandeep Kumar Barasia	174.35	418.50	-	-	-	-	174.35	418.50
Ms. Kriti Gupta	-	0.14	-	-	-	-	-	0.14
Mr. Vivek Kumar	-	0.95	-	-	-	-	-	0.95
Mr. Sunil Kumar Bansal	12.08	6.63	-	-	-	-	12.08	6.63
Loan Repaid								
Mr. Sandeep Kumar Barasia	10.57	25.70	-	-	-	-	10.57	25.70
Mr. Ajith Pai Mangalore	-	23.50	-	-	-	-	-	23.50
Mr. Kapil Bharati	-	23.50	-	-	-	-	-	23.50
Mr. Sahil Barua	-	23.50	-	-	-	-	-	23.50
Mr. Amit Agarwal	-	23.50	-	-	-	-	-	23.50
Sale of Property Plant and Equipment								
Mr. Sandeep Kumar Barasia	3.48	-	-	-	-	-	3.48	-
Fees to Non-Executive Directors								
Ms. Anjali Bansal	-	3.02	-	-	-	-	-	3.02
Mr. Deepak Kapoor	8.70	7.00	-	-	-	-	8.70	7.00
Ms. Hanne Birgitte Breinbjerg Sorensen	-	3.68	-	-	-	-	-	3.68
Mr. Romesh Sobti	8.10	3.25	-	-	-	-	8.10	3.25
Mr. Saugata Gupta	8.00	3.25	-	-	-	-	8.00	3.25
Mr. Kalpana Jaisingh Morparia	6.91	3.04	-	-	-	-	6.91	3.04
Mrs. Aruna Sundararajan	5.21	-	-	-	-	-	5.21	-
Mr. Srivatsan Ranjan	8.70	6.50	-	-	-	-	8.70	6.50

** Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave encashment, as they are determined on an actuarial basis for the Company as a whole

Summary of balances with the above related parties is as follows:

B. Balances as the year end:

Nature of Balances	Key management personnel		Subsidiaries		Associate		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Outstanding balance receivable/(payable)								
Delhivery Freight Services Private Limited (Receivables)	-	-	132.64	91.56	-	-	132.64	91.56
Delhivery Freight Services Private Limited (Payables)	-	-	(117.85)	-	-	-	(117.85)	-
Delhivery Freight Services Private Limited (Accrual Income)	-	-	125.23	19.39	-	-	125.23	19.39
Orion Supply Chain Private Limited (Receivables)	-	-	1.97	-	-	-	1.97	-
Orion Supply Chain Private Limited (Advance to suppliers)	-	-	-	12.94	-	-	-	12.94
Orion Supply Chain Private Limited (provision for expenses)	-	-	-	(4.03)	-	-	-	(4.03)
Delhivery USA LLC (Receivables)	-	-	1.19	-	-	-	1.19	-
Delhivery USA LLC (provision for expenses)	-	-	(20.71)	-	-	-	(20.71)	-
Delhivery USA LLC (Payables)	-	-	(7.45)	(7.41)	-	-	(7.45)	(7.41)
Delhivery HK Pte. Ltd. (Receivable)	-	-	134.89	72.05	-	-	134.89	72.05
Delhivery HK Pte. Ltd. (Payables)	-	-	(28.12)	-	-	-	(28.12)	-
Delhivery HK Pte. Ltd. (Accruals)	-	-	83.80	1.84	-	-	83.80	1.84
Delhivery HK Pte. Ltd. (Expenses payable)	-	-	(0.14)	(0.14)	-	-	(0.14)	(0.14)
Delhivery Cross Border Services Private Limited (COD payable)	-	-	(5.41)	(5.41)	-	-	(5.41)	(5.41)
Delhivery Cross Border Services Private Limited (Payable)	-	-	(1.00)	-	-	-	(1.00)	-
Delhivery Cross Border Services Private Limited (Receivables)	-	-	0.14	-	-	-	0.14	-
Delhivery Corp Limited, London, United Kingdom (Receivables)	-	-	0.14	-	-	-	0.14	-
Delhivery Singapore Pte. Ltd. (provision for expenses)	-	-	(25.98)	-	-	-	(25.98)	-
Delhivery Singapore Pte. Ltd. (Receivables)	-	-	0.51	-	-	-	0.51	-
Spoton Logistics Private Limited (Receivable)#	-	-	573.94	10.68	-	-	573.94	10.68
Spoton Logistics Private Limited (Provision for Other Expenses)#	-	-	(28.13)	(28.13)	-	-	(28.13)	(28.13)
Spoton Logistics Private Limited (Accrual Income)	-	-	406.53	-	-	-	406.53	-
Spoton Supply Chain Solutions Private Limited (Accrual Income)	-	-	-	6.91	-	-	-	6.91
Spoton Supply Chain Solutions Private Limited (Receivable)	-	-	13.14	31.02	-	-	13.14	31.02
Delhivery Robotics LLC (Receivables)	-	-	0.06	0.75	-	-	0.06	0.75
Delhivery Bangladesh Logistics Pvt. Ltd. (Receivables)	-	-	0.31	-	-	-	0.31	-
Leucon Technology Private Limited (Payables)	-	-	-	(4.43)	-	-	(4.43)	-
FALCON AUTOTECH Private Limited (Advance to supplier)	-	-	-	94.52	-	256.56	256.56	94.52
Borrowings								
Delhivery Cross Border Services Private Limited	-	-	93.81	93.81	-	-	93.81	93.81
Delhivery Cross Border Services Private Limited (Loan provision)	-	-	(93.81)	(93.81)	-	-	(93.81)	(93.81)
Orion Supply Chain Private Limited	-	-	297.47	191.00	-	-	297.47	191.00
Spoton Logistics Private Limited	-	-	867.60	1,626.72	-	-	867.60	1,626.72
Delhivery Freight Services Private Limited	-	-	249.40	1,130.00	-	-	249.40	1,130.00
Algorithm Tech Private Limited	-	-	35.54	-	-	-	35.54	-



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Nature of Balances	Key management personnel		Subsidiaries		Associate		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Other Financial Assets								
Interest accrued on inter company deposits								
Orion Supply Chain Private Limited	-	-	-	19.69	-	-	-	19.69
Spoton Logistics Private Limited	-	-	-	80.50	-	-	-	80.50
Delhivery Freight Services Private Limited	-	-	-	105.28	-	-	-	105.28
Delhivery Cross Border Services Private Limited	-	-	31.87	31.87	-	-	31.87	31.87
Delhivery Cross Border Services Private Limited (provision of interest)	-	-	(31.87)	(31.87)	-	-	(31.87)	(31.87)
Algorhythm Tech Private Limited	-	-	0.60	-	-	-	0.60	-
Balance outstanding at year end								
Salary Payable**								
Mr. Sahil Barua	-	2.13	-	-	-	-	-	2.13
Mr. Suraj Saharan	-	2.14	-	-	-	-	-	2.14
Ms. Pooja Gupta	-	1.50	-	-	-	-	-	1.50
Mr. Kapil Bharati	-	1.86	-	-	-	-	-	1.86
Mr. Ajith Pai Mangalore	-	3.50	-	-	-	-	-	3.50
Mr. Amit Agarwal	-	2.16	-	-	-	-	-	2.16
Mr. Sandeep Kumar Barasia	-	2.66	-	-	-	-	-	2.66
Mr. Sumil Kumar Bansal	-	0.27	-	-	-	-	-	0.27
Loans and advances to related parties								
Mr. Sandeep Kumar Barasia	14.23	24.80	-	-	-	-	14.23	24.80
Fees payable to Non-Executive Directors								
Mr. Deepak Kapoor	1.69	1.88	-	-	-	-	1.69	1.88
Mr. Romesh Sobti	1.46	1.63	-	-	-	-	1.46	1.63
Mr. Saugata Gupta	1.46	1.63	-	-	-	-	1.46	1.63
Ms. Kalpana Morparia	0.66	1.63	-	-	-	-	0.66	1.63
Mrs. Aruna Sundararajan	1.13	-	-	-	-	-	1.13	-
Mr. Srivatsan Ranjan	1.04	1.63	-	-	-	-	1.04	1.63

Above balance includes ₹ 10.26 million (March 31, 2022 : ₹ 9.21 million) for reimbursement of expenses incurred by Delhivery Limited on behalf of Spoton Logistics Private Limited for which no transaction is required to be eliminated during the year ended March 31, 2023 and March 31, 2022.

Above balance of ₹ 25.5 million is reimbursement of expenses incurred by Spoton Logistics Private Limited on behalf of Delhivery Limited for which no transaction is required to be eliminated during the year ended March 31, 2022.

** 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

Terms and conditions of transactions with related parties:

The services provided and received from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free (except for inter corporate loan) and settlement generally occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

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36.1 Assets Acquisition

(a) Acquisition during the year ended March 31, 2023

On December 19, 2022, the Company has entered into assets purchase agreement with the promoters of Algorhythm Tech Private Limited and has paid non-compete fees amounting to ₹ 67.70 million. The same has been accounted as other intangible assets.

(b) Acquisition during the year ended March 31, 2022

As on July 15, 2021, the Company has entered into assets purchase agreement with FedEx Express Transportation and Supply Chain Services (India) Private Limited and Tnt India Private Limited, via tri-party agreement. Approval from Completion Commission of India (CCI) had been received as on November 23, 2021 and consideration of ₹ 1,864.27 million has been transferred to FedEx as on December 04, 2021.

Assets acquired

The fair values of the identifiable assets of Fedex Express Transportation and Supply Chain Services Private Limited as at the date of acquisition were:

Particulars	Amount
Computers/Servers	28.19
Office Equipment	104.30
Furniture and Fixtures	9.78
Vehicles	216.19
Plant and Equipment	4.59
Leasehold Improvements	44.48
Land and building	61.93
Software	0.42
Non - compete	180.61
Customer relationship	488.87
Others*	724.90
Purchase Consideration	1,864.27
Less: Provision for termination benefit (Employee actuarial liability)	(34.80)
Add: Security Deposits (assets)	19.20
Net Consideration Paid	1,848.67

* Above balance of ₹ 724.90 million includes amount of Cross Border Franchisee Agreement - imports of ₹ 391.80 million and Cross Border Franchisee Agreement - exports of ₹ 333.10 million.

Purchase consideration

Particulars	Amount
Cash consideration paid	1,848.67
Add: Provision for termination benefit (Employee actuarial liability)	34.80
Less: Security Deposits (assets)	(19.20)
Total Purchase consideration	1,864.27

Analysis of cash flows on acquisition:

Particulars	Amount
Payment towards acquisition of business (included in cash flow from investing activities)	1,848.67
Net cash used in acquisition	1,848.67

36.2 Business Combination

a) Acquisition of Algorhythm Tech Private Limited ("Algorhythm")

During the year ended March 31, 2023, the Company acquired 100% investment in Algorhythm Tech Private Limited (Company engaged in intelligent, connected planning & optimisation solutions for Supply Chain) for a consideration of ₹ 81.36 million vide share purchase agreement dated December 19, 2022. Post the completion of acquisition Algorhythm Tech Private Limited has become 100% subsidiary of Delhivery Limited w.e.f. January 13, 2023.



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b) Acquisition of Spoton Logistics Private Limited ("Spton")

During the year ended March 31, 2022 the Company acquired 100% investment in Spoton Logistics Private Limited (Company engaged in the domestic road business and Air business) for a consideration of ₹ 15,216.02 million vide share purchase agreement dated July 29, 2021. Post the completion of acquisition Spoton logistics Private Limited has become 100% subsidiary of Delhivery limited w.e.f. August 24, 2021.

The consideration includes ₹ 15,109.30 million paid in cash and ₹ 106.74 million discharged through replacement of ESOP awards to select ESOP holders of Spoton as part of the obligations undertaken by Delhivery as per the contractual arrangement entered between the parties upon the acquisition.

36.3 Investment in Associates

c) The Company has made 34.55% investment in FALCON AUTOTECH Private Limited (Company engaged in the autotech business) for a consideration of ₹ 2,518.94 million vide share purchase agreement dated December 31, 2021. Upon closure of transaction on January 04, 2022, FALCON AUTOTECH Private Limited has become an associate of the Company.

37.1 Fair Values

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2023 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Carrying value
		Designated upon initial recognition	Mandatory	
Assets:				
Cash and cash equivalents (refer note 12)	2,516.58	-	-	2,516.58
Other bank balances(Refer Note 13)	3,500.00	-	-	3,500.00
Investments (current) (refer note 5)	-	-	14,817.20	14,817.20
Investments (non-current) (refer note 5)	-	-	3,502.22	3,502.22
Investments in equity and preference securities (non-current) (refer note 5)	21,132.15	-	-	21,132.15
Trade receivables (refer note 7)	8,268.76	-	-	8,268.76
Loans (refer note 8)	1,504.47	-	-	1,504.47
Other financial assets (refer note 9)	40,283.38	-	-	40,283.38
Total	77,205.34	-	18,319.42	95,524.76
Liabilities:				
Trade payables (refer note 20)	7,833.15	-	-	7,833.15
Borrowing (refer note 16)	1,988.74	-	-	1,988.74
Other financial liabilities (refer note 17)	844.60	-	-	844.60
Lease liabilities (refer note 33)	7,188.22	-	-	7,188.22
Total	17,854.71	-	-	17,854.71

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The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Carrying value
		Designated upon initial recognition	Mandatory	
Assets:				
Cash and cash equivalents (refer note 12)	1,782.63	-	-	1,782.63
Investments (current) (refer note 5)	-	-	14,612.33	14,612.33
Investments (non-current) (refer note 5)	-	-	3,808.39	3,808.39
Investments in equity securities (non-current) (refer note 5)	18,643.81	-	-	18,643.81
Trade receivables (refer note 7)	7,751.14	-	-	7,751.14
Loans (current) (refer note 8)	3,029.72	-	-	3,029.72
Other financial assets (refer note 9)	12,387.26	-	-	12,387.26
Total	43,594.56	-	18,420.72	62,015.28
Liabilities:				
Trade payables (refer note 20)	6,725.26	-	-	6,725.26
Borrowing (refer note 16)	3,212.42	-	-	3,212.42
Lease liabilities (refer note 33)	7,339.68	-	-	7,339.68
Other financial liabilities (refer note 17)	1,321.36	-	-	1,321.36
Total	18,598.72	-	-	18,598.72

The following methods/assumptions were used to estimate the fair values:

- The carrying value of trade receivables, cash and cash equivalents, trade payables, security deposits, lease liabilities and other current financial assets and other current financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.
- The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.
- Fair value of quoted mutual funds is based on quoted market prices at the reporting date.
- Fair value of debt instruments is estimated based on discounted cash flows valuation technique using the cash flow projections, discount rate and credit risk.
- Fair value of unquoted investment is based on valuation of subsequent fund raised.

37.2(a) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Level 1 – Quoted prices in active market

Level 2 – Significant observable inputs

Level 3 – Significant unobservable inputs

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2023:

Particulars	March 31, 2023	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in Unquoted preference shares (refer note 5)	197.90	-	-	197.90
Investments in bonds, non convertible debentures, mutual fund units (refer note 5)	18,121.51	18,121.51	-	-



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The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

Particulars	March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in bonds, non convertible debentures, mutual fund units (refer note 5)	18,420.72	18,420.72	-	-

There have been no transfers between Level 1 and Level 2 during the current year and previous year.

37.2 (b) Fair value hierarchy

Reconciliation of Level 3 fair value measurement is as follows:

Particulars	Compulsorily Convertible Preference Shares	
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	-	184.84
Addition during the year	-	957.40
Fair value loss on financial instruments at fair value through profit or loss	-	2,997.39
Converted to equity	-	(4,139.63)
Balance at the end of the year	-	-

Reconciliation of Level 3 fair value measurement is as follows:

Particulars	Investments in Unquoted preference shares (refer note 5)	
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	-	-
Addition during the year	197.90	-
Fair value loss on financial instruments at fair value through profit or loss	-	-
Balance at the end of the year	197.90	-

37.2 (c) Fair value hierarchy

Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets/liabilities as of March 31, 2023 and March 31, 2022:

Financial Liabilities	Valuation technique(s)	Key Input(s)	Sensitivity
Compulsorily Convertible Preference Shares	Option Pricing Method*	i) Risk Free Discount rate - NA (March 31, 2022- 4.7 %) ii) Volatility rate NA (March 31, 2022 - 50%) iii) Liquidity event timeline - 4 to 5 years	Refer Note below**

* The fair values of financial assets included in level 3 have been determined in accordance with generally accepted pricing models based on a option pricing method, with the most significant inputs being the risk free discount rate that reflects the credit risk of counter parties.

** Sensitivity to changes in unobservable inputs: The fair value of these financial assets is directly proportional to the estimated entity valuation. If the entity were to increase/decrease by 5% with all the other variables held constant, the fair value of the financial liabilities would increase/decrease by 5%.

Financial Assets

Investments in Unquoted preference shares (Boxseat Ventures Private Limited,) have been valued basis giving reference to the fund raised by Boxseat Ventures Private Limited subsequently on March 29, 2023, which was equivalent to the fund invested by the Company.

37.3 Financial risk management objectives and policies

Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimise potential Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

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A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Company ensures optimisation 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 Company are either non-interest bearing or fixed interest bearing instruments, the Company's net exposure to interest risk is negligible.

An increase in interest rate by 1% will result in increase in loss by ₹ 53.26 million (March 31, 2022: ₹ 118.67 million) and decrease in interest rate by 1% will result in decrease in loss by ₹ 40.77 million (March 31, 2022: ₹ 91.06 million).

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The entire revenue and majority of the expenses of the Company are denominated in Indian Rupees.

Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(B) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and unbilled receivable) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the Company through credit approvals and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as the Company's historical experience for customers.

(C) Credit risk exposure

The Company has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12 months expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogeneous categories and assessed for impairment collectively. The calculation is based on historical data of actual losses.

(D) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The Company's largest customer accounted for approximately 18.38% (March 31, 2022: 15.72%) of net sales for year ended March 31, 2023.



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(E) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual undiscounted maturities of significant financial liabilities as of March 31, 2023:

Particulars	Carrying Amount	Less than 1 year	1-2 years	2-4 years	> 4 years	Total
Trade payables (refer note 20)	7,833.15	7,833.15	-	-	-	7,833.15
Borrowing (refer note 16)*	1,988.74	962.41	862.43	349.17	-	2,174.01
Other financial liabilities (refer note 17)	844.60	844.60	-	-	-	844.60

The table below provides details regarding the contractual undiscounted maturities of significant financial liabilities as of March 31, 2022:

Particulars	Carrying Amount	Less than 1 year	1-2 years	2-4 years	> 4 years	Total
Trade payables (refer note 20)	6,725.26	6,725.26	-	-	-	6,725.26
Borrowing (refer note 16)*	3,212.42	2,195.73	1,177.25	24.13	-	3,397.11
Other financial liabilities (refer note 17)	1,321.36	1,321.36	-	-	-	1,321.36

* It includes contractual interest payment based on interest rate prevailing at the end of the reporting period.

(F) Equity price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), government securities. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

37.4 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, instruments entirely equity in nature, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and

Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital by regularly reviewing the capital structure. As a part of this review, the Company considers the cost of capital and the risks associated with the issued share capital. In the opinion of the Directors, the Company's capital risk is low.

Particulars	March 31, 2023	March 31, 2022
Borrowings and Leases (refer note 16 and note 33)	9,176.96	10,552.11
Less: cash and cash equivalents (refer note 12)	(2,516.58)	(1,782.63)
Net debt	6,660.38	8,769.48
Total Equity	95,703.27	61,571.45
Total capital	95,703.27	61,571.45
Capital and net debt	102,363.65	70,340.93
Gearing ratio	6.51%	12.47%

No Material changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

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38. Share-based payments

The Company provides share-based payment schemes to its employees. During the year ended March 31, 2023, four employee stock option plan (ESOP) were in existence. The relevant details of the schemes and the grant are as below:

General Employee Share-option Plan (GESP): Delhivery Employees Stock Option Plan, 2012

On September 28, 2012, the board of directors approved the Delhivery Employees Stock Option Plan, 2012 for issue of stock options to the key employees and directors of the Company. According to the Scheme 2012, it applies to bona fide confirmed employees/directors and who are in whole-time employment of the Company and as decided by the board of directors of the Company or appropriate committee of the board constituted by the board from time to time. The options granted under the Scheme shall vest not less than one year and not more than four years from the date of grant of options. Once the options vest as per the Scheme, they would be exercisable by the Option Grantee at any time and the equity shares arising on exercise of such options shall not be subject to any lock-in period.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of and movements in, share options during the year:

Particulars	March 31, 2023		March 31, 2022	
	No. of options	WAEP (₹)	No. of options	WAEP (₹)
Outstanding at the beginning of the year #	11,785,442	19.24	23,242,000	18.52
Granted during the year	2,891,209	1.00	7,466,609	13.29
Forfeited during the year	(1,910,906)	12.43	(1,139,367)	23.48
Cancelled during the year	-	-	-	-
Exercised during the year	(3,079,621)	23.57	(17,783,800)	15.55
Outstanding at the end of the year	9,686,124	13.76	11,785,442	19.24
Exercisable at the end of the year	9,686,124	13.76	11,785,442	19.24

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2023 is 2.23 years (March 31, 2022: 2.87 years). The range of exercise prices for options outstanding at the year end was ₹ 0.10 to ₹ 29.85 (March 31, 2022: ₹ 1 to ₹ 29.85).

The weighted average fair value for the stock options granted during the year is ₹ 474.38 (March 31, 2022: ₹ 278.50).

The following tables list the inputs to the models used for the GESP plans for the year ended March 31, 2023 and March 31, 2022, respectively:

Particulars	March 31, 2023	March 31, 2022
Expected volatility (%)	46.30% - 52.40%	48.60% - 59.40%
Risk-free interest rate (%)	6.50% - 7.40%	4.10% - 5.70%
Expected life of share options	4 to 5 years	4 to 5 years
Weighted average share price (₹)	13.76	19.24
Model used	Black Scholes Option Pricing Model	

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.

Delhivery Employees Stock Option Plan - II, 2020

The Plan has been formulated and approved on January 25, 2021 by the Board of Directors ("Board") and approved on February 01, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan came into force on February 01, 2021 and shall continue to be in force until - (i) its termination by the Board; or (ii) the date on which all of the Options available for issuance under the Plan have been Exercised.



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Movement during the year

Particulars	March 31, 2023		March 31, 2022	
	No. of options	WAEP (₹)	No. of options	WAEP (₹)
Outstanding at the beginning of the year #	7,740,200	0.10	7,740,200	0.10
Granted during the year	-	-	-	-
Forfeited during the year	(175,000)	0.10	-	-
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	7,565,200	0.10	7,740,200	0.10
Exercisable at the end of the year	7,565,200	0.10	7,740,200	0.10

The Options granted under the plan shall vest as per the schedule determined by the Board/ESOP Committee. Vesting of options shall be subject to continued/uninterrupted employment with the Company and completion of a minimum period of 1 year from the date of the grant of the options and shall vest on the basis of the Company achieving the valuation thresholds (being the multiple of the share price of the Series F round of investment in the Company).

Any remaining unvested Options (that have not vested in accordance with above) shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option Agreement or grant letter between each eligible employee and the Company, unless determined otherwise by the Board/ESOP committee from time to time.

The following tables list the inputs to the models used for the plan for the year ended March 31, 2023 and March 31 2022:

Particulars	March 31, 2023	March 31, 2022
Expected volatility (%)	45.1% - 48%	45.1% - 48%
Risk-free interest rate (%)	3.35%	3.35%
Expected life of share options	3.17	3.17
Face value (₹)	0.10	0.10
Model used	Monte Carlo simulation	

Delhivery Employees Stock Option Plan III, 2020

The Plan has been formulated and approved on January 25, 2021 by the Board of Directors ("Board") and approved on February 01, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan came into force on February 01, 2021 and shall continue to be in force until - (i) its termination by the Board; or (ii) the date on which all of the Options available for issuance under the Plan have been Exercised.

The Options granted under the Plan shall vest as per the schedule determined by the Board/ESOP Committee. Vesting of Options shall be subject to continued/uninterrupted employment with the Company and completion of a minimum period of 1 year from the date of the grant of the Options and shall vest at the discretion of the Board/ESOP Committee on the basis of the performance of the Company or any other transformative event as decided by the Board/ESOP Committee. Any remaining unvested Options that have not vested in accordance with this sub-clause shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option agreement or grant letter between each Eligible Employee and the Company, unless determined otherwise by the Board/ESOP Committee from time to time.

Movement during the year

Particulars	March 31, 2023		March 31, 2022	
	No. of options	WAEP (₹)	No. of options	WAEP (₹)
Outstanding at the beginning of the year #	8,820,500	0.10	1,050,000	0.10
Granted during the year	-	-	7,770,500	0.10
Forfeited during the year	(287,500)	0.10	-	-
Cancelled during the year	-	-	-	-
Exercised during the year	(1,392,100)	0.10	-	-
Outstanding at the end of the year	7,140,900	0.10	8,820,500	0.10
Exercisable at the end of the year	7,140,900	0.10	8,820,500	0.10

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The following tables list the inputs to the models used for the plan for the year ended March 31, 2023 and March 31, 2022:

Particulars	March 31, 2023	March 31, 2022
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
Exercise Price (₹)	0.10	0.10
Model used	Monte Carlo simulation	

On December 14, 2021, the Company changed the vesting for the employee share options granted in February 2021 under Scheme III from milestone based vesting to milestone & time based vesting. The fair value of the options at the date of the modification was determined to be ₹ 294.6 million. The fair value on account of said modification has reduced by ₹ 470.1 million and as per provisions of Ind AS 102, the Company shall continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred. Accordingly, the expense for the original option grant will continue to be recognised as if the terms had not been modified. Further, the expense for time based vesting has been recognised as an expense over the period from the modification date to the end of the reduced vesting period. The fair value of the modified options was determined using the same models and principles as described above, with the following model inputs:

Particulars	Unit	Value
Effective/ Valuation date		December 14, 2021
Common stock value	₹/share	380
Exercise price	₹/share	10
Volatility	%	47%
Risk free rate	%	3.52%

Delhivery Employees Stock Option Plan IV, 2021

The Plan has been formulated and approved on September 24, 2021 by the Board of Directors ("Board") and approved on September 29, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan shall be deemed to have come into force on September 29, 2021 and shall continue to be in force until -

(i) its termination by the Board; or

(ii) the date on which all of the options available for issuance under the plan have been exercised.

The options granted under the plan shall vest as per the schedule determined by the Board/ESOP Committee. Vesting of options shall be subject to continued/uninterrupted employment with the Company and completion of a minimum period of 1 year from the date of the grant of the options and shall vest at the discretion of the Board/ESOP committee on the basis of the performance of the Company or any other transformative event as decided by the Board/ESOP committee. Any remaining unvested options that have not vested in accordance with this sub-clause shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option agreement or grant letter between each eligible employee and the Company, unless determined otherwise by the Board/ESOP committee from time to time.

Movement during the year

The following tables list the inputs to the models used for the plan for option based on milestone for the year ended March 31, 2023 and March 31, 2022:

The following tables list the inputs to the models used for the plan for time-based option for the year ended March 31, 2023 and March 31, 2022:

During the year ended March 31, 2023, Company has granted 25,90,000 stock options convertible into equity shares vesting of which is milestone base.

During the year ended March 31, 2022, Company has granted 76,00,000 stock options convertible into equity shares out of which vesting of 25,00,000 stock options is time based and 51,00,000 is milestone based. Vesting of these options is dependent upon the listing of the Company on recognised stock exchange therefore, ESOP expense pertaining to these options will recognised in books after listing of company. Accordingly, when company got listed on May 24, 2022, vesting of these options has commenced for these stock options.



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During the year ended March 31, 2023, the Company has recognised expense of ₹ 2,591.85 million (March 31, 2022: ₹ 2,895.15 million).

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 (CCPS) has been made to reflect the impact of such sub-division.

On September 29, 2021, the Company has sub divided equity shares having a face value of ₹ 10 each into 10 equity shares having a face value of ₹ 1 each. Also, the Company had allotted bonus equity shares in the ratio of 9:1 held by the existing shareholders.

39. Operating Segments

The primary reporting of the Company has been performed on the basis of business segment. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker ('CODM') i.e. Chief Executive Officer of the Company, being the CODM has evaluated of the Company's performance at an overall level as one segment which is 'Logistics Services' that includes warehousing, last mile logistics, designing and deploying logistics management systems, logistics and supply chain consulting/advice, inbound/procurement support and operates in a single business segment based on the nature of the services, the risks and returns, the organisation structure and the internal financial reporting systems. Accordingly, the figures appearing in these financial statements relate to the Company's single business segment. The Company has significant operations based in India, hence there are no reportable geographical segments in standalone financial results.

40. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

41. As at March 31, 2023 and March 31, 2022, the Company is having net deferred tax assets primarily comprising of unabsorbed Depreciation and carry forward Losses under tax laws. However, in the absence of reasonable certainty as to its realisation of Deferred Tax Assets (DTA), DTA has not been created.

Particulars	March 31, 2023	March 31, 2022
Deferred Tax Liability		
Impact on business combination	51.13	51.13
Deferred Tax Assets		
Deductible temporary differences	2,948.50	2,248.70
Brought forward losses (including capital loss)	2,500.25	1,464.65
Unabsorbed depreciation	2,156.70	1,393.71
Recognised in books	Nil	Nil

Maturity period of brought forward losses for which no deferred tax are recognised in the financial statements:

Year of expiry	March 31, 2023	March 31, 2022
	Brought forward losses (including capital loss)	Brought forward losses (including capital loss)
Within one - three years	1,960.07	-
Within three - five years	2,099.74	3,364.49
Above five years	3,987.02	1,363.11

Above brought forward losses includes brought forward losses for current year as calculated basis provisional income tax computation.

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Maturity period of unabsorbed depreciation for which no deferred tax are recognised in the financial statements:

Year of expiry	March 31, 2023	March 31, 2022
	Unabsorbed depreciation	Unabsorbed depreciation
No expiry period	6,912.51	4,467.01

Above unabsorbed depreciation losses includes unabsorbed depreciation for current year as calculated basis provisional income tax computation.

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for year ended March 31, 2023 and March 31, 2022

Particulars	March 31, 2023	March 31, 2022
Accounting loss before income tax	(8,123.02)	(8,635.17)
At India's statutory income tax rate of 31.2% (March 31, 2022: 31.2%)	(2,534.38)	(2,694.17)
Other non-deductible items	49.82	1,609.98
Losses on which deferred taxes not recognised	1,035.60	86.64
Unabsorbed depreciation on which deferred taxes not recognised	763.00	496.85
Other temporary differences on which deferred taxes not recognised	699.80	519.45
Difference in rates capital gains	(13.83)	(18.75)
Income tax expense reported in the profit and loss statement of financial statement	-	-

42. Ratio analysis and its elements

Ratios

Particulars	March 31, 2023	March 31, 2022	% Change from March 31, 2022 to March 31, 2023
Current Ratio (refer note (i) below)	5.47	3.09	-77%
Debt equity ratio (refer note (i) below)	0.10	0.16	39%
Debt service coverage ratio (refer note (ii) below)	0.65	1.26	48%
Return on equity ratio (refer note (i) below)	(0.10)	(0.19)	46%
Inventory turnover ratio (refer note (iii) below)	298.29	230.97	-29%
Trade receivable ratio	8.31	8.77	5%
Trade payable Turnover ratio	8.01	9.02	11%
Net capital turnover ratio (refer note (iv) below)	1.20	2.26	47%
Net Profit Ratio	(0.12)	(0.15)	16%
Return on capital employed (refer note (i) below)	(0.16)	(0.22)	29%
Return on investments FD (refer note (v) below)	0.06	0.04	-53%
Return on investments MF	0.04	0.04	12%

Reasons for variance of more than 25% in above ratios:

- Change is on account of increase in current assets on account of increase in fixed deposits as received against the money raised through Initial Public Offer ("IPO"). Further there has been corresponding increase in shareholder's equity due to increase in securities premium on issue of equity shares under IPO.
- Change is on account of higher loss incurred during the year ended March 31, 2023 as compared to March 31, 2022.
- Increase is on account of growth in revenue and better inventory management.
- Change is on account of increase in current assets on account of increase in fixed deposits resulting in increase in working capital during the year March 31, 2023.
- Increase is on account of Increase in yield rate on account of Increase in interest rate on year on year basis.



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Elements of Ratios:

Particulars	Numerator	Denominator	March 31, 2023		March 31, 2022	
			Numerator	Denominator	Numerator	Denominator
Current ratio	Current Assets	Current Liabilities	67,863.26	12,414.85	38,663.80	12,546.62
Debt equity ratio	Debt (Borrowings+ lease liabilities)	Shareholder's Equity	9,176.96	95,703.27	9,692.18	61,571.45
Debt service coverage ratio	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Interest + other adjustments like loss on sale of Fixed assets	Interest & Lease Payments + Principal Repayments	2,477.72	(3,806.18)	4,089.72	(3,247.22)
Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	(8,123.02)	78,637.36	(8,635.17)	45,272.92
Inventory turnover ratio	Net Sales	Average Inventory	66,586.61	223.23	59,109.96	255.92
Trade receivable ratio	Net Sales	Average Accounts Receivable	66,586.61	8,009.95	59,109.96	6,739.90
Trade payable ratio	Net Credit Purchases	Average Trade Payables	58,284.47	7,279.20	48,958.02	5,429.85
Net capital turnover ratio	Net Sales	Working Capital	66,586.61	55,448.41	59,109.96	26,174.19
Net profit ratio	Net Profit	Net Sales	(8,123.02)	66,586.61	(8,635.17)	59,109.96
Return on capital employed	Earning before interest, depreciation and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability	(15,443.10)	97,413.49	(14,333.87)	63,773.49
Return on investments FD	Investment income (including OCI & Exceptional item)	Weighted average Investment (i.e. FD & Margin Money)	1,957.60	34,605.00	206.90	5,580.82
Return on investments MF	Investment income (including OCI & Exceptional item)	Weighted average Investment (i.e. MFs, Shares & Bonds)	597.52	16,199.43	803.85	19,235.58

43. The Company has not earned net profit in three immediately preceding financial years, therefore, there was no amount as per Section 135 of the Act which was required to be spent on CSR activities in each of the respective financial years by the Company.

44. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023
CIN: L63090DL2011PLC221234
(All amounts in Indian Rupees in million, unless otherwise stated)

45. Other Statutory Information

(i) The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of companies act, 1956 during the financial year except as mentioned below:

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022#	Relationship with the struck off company
AN Impex Pvt. Ltd.	Receivables	19.42	19.42	Customer
EW Logistics India Private Limited	Receivables	2.49	NA	Customer
Jollychic India Private Limited	Receivables	0.96	1.04	Customer
Flatworld Trading Private Limited	Receivables	0.87	0.87	Customer
Xtreme Freighter Private Limited	Receivables	0.68	NA	Customer
Abacus Trading Private Limited	Receivables	0.57	0.58	Customer
Gopane Consumer Product Private Limited	Receivables	0.38	NA	Customer
Just like new Technologies Private Limited	Receivables	0.30	0.30	Customer
Swasti Shibansi Exports (Opc) Private Limited	Receivables	0.25	NA	Customer
Entex Shipping Private Limited	Receivables	0.24	NA	Customer
Istage Entertainment Private Limited	Receivables	0.23	0.23	Customer
Indochin Electrotech Private Limited	Receivables	0.21	NA	Customer
Aezal Infotech And Solutions Private Limited	Receivables	0.19	NA	Customer
Tabasco Fashion Tech Private Limited	Receivables	0.18	0.18	Customer
Konark Courier And Cargo Private Limited	Receivables	0.16	0.16	Customer
Kiaz E-Life Private Limited	Receivables	0.16	0.15	Customer
Send My Gift Private Limited	Receivables	0.15	NA	Customer
E-Vahan Express Private Limited	Receivables	0.15	0.15	Customer
Satyog Enterprises Private Limited	Receivables	0.11	NA	Customer
PFC Clothing Private Limited	Receivables	0.11	NA	Customer
Total Trading International Private Limited	Receivables	0.10	0.10	Customer
Guanxin India Private Limited	Advance from Customer	0.16	NA	Customer
Fystic Private Limited	Advance from Customer	0.28	NA	Customer

Balances as at March 31, 2022 for the parties struck off during the year ended March 31, 2023 has been reported as not applicable ("NA"), as these were struck off during the current year. However there may be balances as on March 31, 2022 for these struck off parties.

- (ii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company have not any such transaction which is not recorded in the books of account 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).
- (v) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.



Notes

To the Standalone Financial Statements for the year ended March 31, 2023
CIN: L63090DL2011PLC221234
(All amounts in Indian Rupees in million, unless otherwise stated)

46. Disclosure under Rule 11(e) of Companies (Audit & Auditors) Rules 2014

Following are the details of the funds advanced by the Company to Intermediaries for further advancing to the ultimate beneficiaries:

- The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).
- Complete details of the intermediary and ultimate beneficiary:

Name of the entity	Registered Address	Government Identification Number (PAN)	Relationship with the Company
Delhivery Singapore Pte. Ltd. (Intermediary)	8, Cross Street, #24-03/04, Manulife Tower, Singapore 048424	Not Applicable (foreign entity)	Subsidiary
Delhivery Robotics LLC (Ultimate Beneficiary)	16192, Coastal Highway, Lewes, Delaware 19558, Country of Sussex	Not Applicable (foreign entity)	Step down Subsidiary
Delhivery Bangladesh Logistics Pvt. Ltd (Ultimate beneficiary)	High Tower (9 th Floor), 9 Mohakhali Bir Uttam A K Khandoker Sarok, C/A, Banani, Dhaka, PO: 1213, Bangladesh	Not Applicable (foreign entity)	Step down Subsidiary

- Further except to the transaction mentioned above:

- (a) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries) or
 - provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.
- (b) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - provide any guarantee, security, or the like on behalf of the ultimate beneficiaries,

47(a). Subsequent Events:

Subsequent to the year ended March 31, 2023, the Company has entered into Share Subscription Agreement with Vinculum Solutions Private Limited ("Vinculum") and it's promoters by which the Company intends to infuse 100% cash consideration for investment in fresh equity, resulting in 10.94% of the fully diluted shareholding of Vinculum.

47(b). The management has maintained proper books of account as required by law except that the Company does not have servers physically located in India for the daily backup in relation to one of its billing application of the invoices raised on its customers. However, such invoices are available in companies' other accounting software, the backup of which is maintained in India. Further, subsequent to the year-end, the Company has also started taking daily back-up of such billing application in a server physically located in India.

Notes

To the Standalone Financial Statements for the year ended March 31, 2023
CIN: L63090DL2011PLC221234
(All amounts in Indian Rupees in million, unless otherwise stated)

48. Utilisation of IPO funds

During the year ended March 31, 2023, the Company has completed its Initial Public Offer (IPO) of 10,74,97,225 equity shares of face value ₹ 1 each at an issue price of ₹ 487 per share (including a share premium of ₹ 486 per share). The issue comprised of a fresh issue of 8,21,37,328 equity shares out of which, 8,21,02,165 equity shares were issued at an offer price of ₹ 487 per equity share to all allottees and 35,163 equity shares were issued at an offer price of ₹ 462 per equity share, after a discount of ₹ 25 per equity share to the employees (inclusive of the nominal value of ₹ 1 per equity share) aggregating to ₹ 40,000 million and offer for sale of 2,53,59,897 equity shares by selling shareholders aggregating to ₹ 12,350.00 million. Pursuant to IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on May 24, 2022.

The total offer expenses are estimated to be ₹ 1,697.25 million (exclusive of taxes) which are proportionately allocated between the selling shareholders and the Company as per respective offer size. The utilisation of IPO proceeds of ₹ 38,703.00 million (net of provisional IPO expenses of ₹ 1,297.00 million) is summarised below:

Sr. No.	Particulars	Amount to be utilised as per prospectus	Utilisation up to March 31, 2023	Unutilised as on March 31, 2023
1	Funding organic growth initiatives			
	(i) Building scale in existing business lines and developing new adjacent business lines	1,600.00	1,247.82	352.18
	(ii) Expanding our network infrastructure	13,600.00	4,205.69	9,394.31
	(iii) Upgrading and improving our proprietary logistics operating system	4,800.00	2,454.86	2,345.14
2	Funding inorganic growth through acquisitions and other strategic initiatives	10,000.00	161.25	9,838.75
3	General corporate purposes	8,703.00	5,125.24	3,577.76
	Total	38,703.00	13,194.86	25,508.14

Net proceeds which were unutilised as at March 31, 2023 were temporarily invested in deposits with scheduled commercial bank accounts.

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: May 19, 2023

For and on behalf of the board of directors of Delhivery Limited (formerly known as Delhivery Private Limited)

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

Amit Agarwal
Chief Financial Officer

Place: Goa
Date: May 19, 2023

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Goa
Date: May 19, 2023



Independent Auditor's Report

To the Members of Delhivery Limited (formerly known as Delhivery Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associate comprising of the consolidated Balance sheet as at March 31, 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March 31, 2023, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and associate in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to 35(1)(c) to the Consolidated financial statements for the year ended March 31, 2023 regarding the Scheme of Arrangement ("the Scheme") for amalgamation of Vankatesh Pharma Private Limited ("the transferor Company") and Spoton Logistics Private Limited ("the Transferee Company"), which has been described in the aforesaid note. The Scheme has been approved by the NCLT vide its order dated November 27, 2019 with an appointed date of August 30, 2018 and a certified copy has been filed by the Company with the Registrar of Companies, Gujarat, on January 10, 2020. We further draw attention to the fact that in accordance with the Scheme approved by the NCLT, the Company continues to amortise Goodwill over a period of 5 years in the Consolidated financial statements, which overrides the relevant requirement of Ind AS 103 'Business Combinations' and Ind AS 36 'Impairment of assets' (according to which acquired Goodwill is not permitted to be amortised and is required to be tested annually for impairment). The financial impact of the aforesaid treatment has been disclosed in the Note 35(1)(c) to the Consolidated financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters

Revenue from sale of services for incomplete trips (open shipments)

For the year ended March 31, 2023, the Company has recognised revenue from sale of services of ₹ 72,236.47 million.

Revenue from incomplete trips as at the balance sheet date (open shipments) is recognised over the period of performance, based on the stage of completion and transaction price allocated to the specific completed performance obligation.

The process of identifying the stage of completion of open shipments and allocation of transaction price to the specific performance obligation is complex, dependent on management's estimates and relevant internal controls including IT controls.

Considering above complexities and volume, we have identified revenue from open shipments as a key audit matter.

How our audit addressed the key audit matter

(as described in note 21 of the consolidated financial statements)

Our audit procedures, among others included the following:

- Assessed the Company's revenue recognition policy and its compliance in terms of Ind AS 115 'Revenue from contracts with customers'.
- We understood and tested management's internal controls over the revenue recognition process including controls related to ascertainment of stage of completion. We involved IT specialist to test the relevant IT controls.
- We obtained list of incomplete trips (open shipment report) and selected a sample of revenue transactions wherein revenue was recognised over the period of performance. For the transactions selected we compared the underlying documents including proof of service delivery for services completed subsequent to the year end and tested the working for allocation of transaction price to the specific completed performance obligation.

Impairment of Goodwill (as described in Note 4 of the consolidated financial statements)

The Group's balance sheet includes ₹ 13,620.70 million of goodwill. The balance of goodwill allocated to the Cash Generating Units (CGUs) are tested annually for impairment using discounted cash-flow models of each CGU's recoverable value compared to its carrying value.

The inputs to the impairment testing model which require exercise of significant judgement include the following:

- projected future cash inflows;
- expected growth rate; discount rate; terminal growth rate;
- comparison of price and market multiples.

The impairment test model includes sensitivity testing of key assumptions, including revenue growth, operating margin and discount rate.

The annual impairment testing of these CGUs is considered as a key audit matter because the assumptions on which the tests are based are highly judgemental and are affected by future market and the materiality of the balances to the financial statements as a whole.

Our audit procedures, among others included the following:

- We understood the control environment, evaluated, and tested the operating effectiveness of the relevant controls over the process for determining the recoverable amounts of the CGUs.
- Assessed the Group's methodology applied in determining the CGUs to which the goodwill is allocated and assumptions around the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used.
- Evaluated competence, capabilities and objectivity of the management's expert and analysed the valuation reports issued by such expert.
- Involved valuation specialist to assist in evaluating the key assumptions considered in the determination of recoverable amount.
- Verified of the consistency of the data used in the value-in-use calculations against the strategic business plans approved by the Board of Directors.
- Assessed the recoverable value by performing sensitivity testing of key assumptions used.
- Discussed potential changes in the key drivers as compared to the previous year/actual performance with management in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable.
- Tested the arithmetical accuracy of the cash flow model prepared by the management.
- Assessed the adequacy of the disclosures in the consolidated financial Statements.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and



Independent Auditor's Report (Contd.)

other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of their respective companies.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial

statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in

extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

- (a) We did not audit the financial statements and other financial information, in respect of 7 subsidiaries and 3 step down -subsidiaries, whose financial statements include total assets of ₹ 1,092.98 million as at March 31, 2023, and total revenues of 1,488.65 million and net cash inflows of ₹ 18.71 million for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 135.74 million for the year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the report of such other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies and associate company, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph we report, to the extent applicable, that:
 - (a) We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors except that the Company does not have servers physically located in India of one of its software for the daily backup as more fully explained in Note 42. Subsequent to the year end, the Company has started keeping the daily back-up of such other books of account and other books and papers in a server physically located in India which has also been disclosed in the aforesaid note;
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate company, none of the directors of the Group's companies and its associate, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) The observation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above;
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company, its subsidiary companies and associate company, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (h) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associate incorporated in India, the managerial remuneration for the year ended March 31, 2023 has been paid/provided by the Holding Company, its subsidiaries and associate incorporated in India to their directors in accordance with the provisions of Section 197 read with Schedule V to the Act;



Independent Auditor's Report (Contd.)

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other matter' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its consolidated financial statements – Refer Note 37 to the consolidated financial statements;
 - ii. The Group and its associate did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2023;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and associate, incorporated in India during the year ended March 31, 2023;
 - iv. a) The respective managements of the Holding Company, its subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, other than as disclosed in the note 47 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries and associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company, its subsidiaries and associate which are companies incorporated in India whose financial

statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and associate respectively that, to the best of its knowledge and belief, other than as disclosed in the note 47 to the consolidated financial statements, no funds have been received by the respective Holding Company or any of such subsidiaries and associate from any persons or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. No dividend has been declared or paid during the year by the Holding Company, its subsidiaries and associate companies, incorporated in India.
- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable only w.e.f. April 01, 2023 for the Holding Company, its subsidiaries and associate companies incorporated in India, hence reporting under this clause is not applicable.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**
Partner
Membership Number: 094941
UDIN: 23094941BGWQGA3976

Place of Signature: New Delhi
Date: May 19, 2023

Annexure 1

referred to in paragraph 1 of report on other legal and regulatory requirements

Re: Delhivery Limited (Formerly known as Delhivery Private Limited)

(xxi) Qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

S.No	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which is qualified or is adverse
1	Delhivery Limited	L63090DL2011PLC221234	Holding Company	Clause i(c) and vii(a)
2	Delhivery Freight Services Private Limited	U63090DL2020PTC363367	Subsidiary Company	Clause vii(a)
3	Spoton Logistics Private Limited	U63090DL2011PTC409002	Subsidiary Company	Clause vii(a)

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**
Partner
Membership Number: 094941
UDIN: 23094941BGWQGA3976

Place of Signature: New Delhi
Date: May 19, 2023



Annexure 2 to the Independent Auditor's Report

of even date on the Consolidated Financial Statements of Delhivery Limited (formerly known as Delhivery Private Limited)

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its associate, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to 1 associate, which is the Company incorporated in India, is based on the corresponding reports of the auditor of such associate incorporated in India.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Yogesh Midha**
Partner

Membership Number: 094941
UDIN: 23094941BGWQGA3976

Place of Signature: New Delhi
Date: May 19, 2023



Consolidated Balance Sheet

as at March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Particulars	Notes	March 31, 2023	March 31, 2022
Assets			
Non-current Assets			
Property, plant and equipment	3	7,950.70	6,225.40
Right-of-use assets	33	6,667.45	6,940.54
Capital work-in-progress	3	215.28	584.08
Goodwill	4	13,620.70	13,799.04
Other intangible assets	4	1,707.20	3,559.59
Intangible assets under development	4	19.44	14.99
Financial assets			
i) Investments	5	6,124.67	6,295.06
ii) Other financial assets	9	3,390.72	3,718.57
Non-current tax assets (net)	10	2,156.74	1,550.91
Other non-current assets	11	422.35	277.09
Deferred tax assets (net)	30	229.02	-
Total Non-current Assets		42,504.27	42,965.27
Current Assets			
Inventories	6	193.56	253.06
Financial assets			
i) Investments	5	14,817.20	14,612.33
ii) Trade receivables	7	9,436.37	9,902.50
iii) Cash and cash equivalents	12	2,954.52	2,290.00
iv) Other bank balances	13	3,500.00	-
v) Loans	8	62.13	89.31
vi) Other financial assets	9	37,011.32	9,590.50
Other current assets	11	1,413.48	2,805.03
Total Current Assets		69,388.58	39,542.73
Total Assets		111,892.85	82,508.00
Equity and Liabilities			
Equity			
Equity share capital	14	728.72	642.11
Other equity	15 (a)	91,042.65	58,931.58
Total Equity		91,771.37	59,573.69
Liabilities			
Non-current Liabilities			
Financial Liabilities			
i) Borrowings	16	1,144.07	1,176.11
ii) Lease liabilities	33	5,343.00	5,727.52
Provisions	18	511.05	382.55
Deferred tax liabilities (net)	30	312.55	629.13
Total Non-current Liabilities		7,310.67	7,915.31
Current Liabilities			
Financial Liabilities			
i) Borrowings	16	844.67	2,355.28
ii) Lease liabilities	33	1,902.69	1,756.28
iii) Trade payables	20		
(a) Total outstanding dues of micro and small enterprises		31.24	44.74
(b) Total outstanding dues of creditors other than micro and small enterprises		7,842.31	8,300.26
iv) Other financial liabilities	17	977.37	1,498.48
Provisions	18	274.74	207.18
Other current liabilities	19	937.79	856.78
Total Current Liabilities		12,810.81	15,019.00
Total Liabilities		20,121.48	22,934.31
Total Equity and Liabilities		111,892.85	82,508.00
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: May 19, 2023

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

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

Amit Agarwal
Chief Financial Officer

Place: Goa
Date: May 19, 2023

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Goa
Date: May 19, 2023

Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Particulars	Notes	March 31, 2023	March 31, 2022
Income			
Revenue from contracts with customers	21	72,253.01	68,822.86
Other income	22	3,049.48	1,561.41
Total Income (I)		75,302.49	70,384.27
Expenses			
Freight, handling and servicing costs	23	56,694.80	49,801.80
Purchase of traded goods		-	1,750.22
Change in inventory of traded goods	24	15.76	(28.75)
Employee benefits expense	25	14,000.34	13,132.65
Fair value loss on financial liabilities at fair value through profit or loss	16 (d)	-	2,997.39
Finance costs	28	888.30	995.29
Depreciation and amortisation expense	27	8,311.44	6,107.47
Other expenses	26	6,058.19	5,889.23
Total Expenses (II)		85,968.83	80,645.30
Loss before exceptional items, share of associate accounted for using equity method and tax (III= I-II)		(10,666.34)	(10,261.03)
Share of profit/(loss) of associates (net) (IV)	40	135.74	(32.27)
Loss before exceptional items and tax (V= III+IV)		(10,530.60)	(10,293.30)
Exceptional Items (VI)		-	-
Loss before tax (VII= V+VI)		(10,530.60)	(10,293.30)
Tax expense:	30		
Current tax		94.56	100.72
Deferred tax		(560.19)	(284.02)
Income tax for earlier years		12.82	-
Total tax expense (VIII)		(452.81)	(183.30)
Loss for the year (IX= VII-VIII)		(10,077.79)	(10,110.00)
Other comprehensive income/(loss)			
a) Items that will not be reclassified to statement of profit and loss in subsequent periods			
- Re-measurement gains/(losses) on defined benefit plans		(19.15)	23.13
- Income tax relating to items that will not be reclassified to profit and loss		2.81	(3.02)
- Share of other comprehensive income of associate (net)		0.06	-
		(16.28)	20.11
b) Items that will be reclassified to statement of profit and loss in subsequent periods			
- Exchange differences on translation of foreign operations		28.58	(5.74)
- Income tax relating to items that will be re-classified to profit and loss		-	-
		28.58	(5.74)
Total other comprehensive income for the year (X= a+b)		12.30	14.37
Total comprehensive loss for the year (XI= IX+X)		(10,065.49)	(10,095.63)
Loss per equity share (Face value ₹ 1 each)	29		
Basic (₹)		(14.09)	(16.98)
Diluted (₹)		(14.09)	(16.98)
Summary of significant accounting policies	2.2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: May 19, 2023

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and Chief Business Officer
DIN: 01432123
Place: Goa
Amit Agarwal
Chief Financial Officer

Place: Goa
Date: May 19, 2023

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Goa
Date: May 19, 2023



Consolidated Cash Flow Statement

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
A) Operating Activities		
Loss before tax	(10,530.60)	(10,293.30)
Adjustment to reconcile loss before tax to net cash flows		
Depreciation of property, plant and equipment	3,809.88	2,433.12
Amortisation of intangible assets	2,303.43	1,337.15
Depreciation of right-of-use assets	2,198.13	2,337.20
Allowances for doubtful debts and provision for lost shipment expenses	1,240.46	1,309.40
Bad debt written off	0.44	2.55
Allowances for doubtful advances	90.79	26.60
Inventory written off	8.69	-
Credit balance written back	(71.60)	(89.46)
Share of (profit)/loss of associates (net)	(135.74)	32.27
Share-based payment expense	2,891.41	3,084.21
Interest expense	209.78	241.74
Interest on lease liability	673.37	742.60
Fair value gain on investment at fair value through profit or loss	(305.79)	(300.43)
Assets written off	34.35	2.05
Gain on modification/ termination of lease contracts	(212.28)	(210.27)
Interest Income	(2,194.57)	(569.85)
Interest income on unwinding of discount on security deposits paid	(91.41)	(139.88)
Net gain on sale of current investments	(119.30)	(174.59)
Net gain on sale of non-current investments	-	(22.50)
Fair value loss on financial liabilities at fair value through profit or loss	-	2,997.39
Profit on disposal of property, plant and equipment	(20.52)	(0.08)
Operating (loss)/profit before working capital changes	(221.08)	2,745.92
Movements in working capital:		
Decrease in inventories	50.82	6.43
Increase in trade and other receivables	(774.77)	(3,472.48)
Decrease/(Increase) in financial assets	201.46	(3,873.83)
Decrease/(Increase) in other assets	1,274.50	(733.69)
Decrease in loans	27.18	174.91
(Decrease)/Increase in trade payables	(473.00)	2,625.37
Increase in other liabilities	178.33	39.80
Increase in provisions	179.78	214.10
Cash flow from/(used in) operations	443.22	(2,273.47)
Income taxes paid (net)	(715.97)	(131.87)
Net cash used in operating activities (A)	(272.75)	(2,405.34)
B) Investing Activities		
Purchase of property, plant & equipment (including other intangible assets, capital work-in-progress and capital advances)	(6,005.49)	(5,439.36)
Proceeds from property, plant & equipment (including other intangible assets)	65.79	41.80
Payment towards acquisition of business (net of cash & cash equivalents) (refer note 35 (1))	(81.36)	(13,866.77)
Asset acquisition through assets purchase agreement (refer note 35 (2))	(67.70)	(1,848.67)
Investment in unquoted equity instruments	(197.90)	-
Investment in associates (refer note 35 (3))	-	(2,518.94)
Proceeds from sale of investment in associate	-	22.50
Proceeds from sale of financial assets - Liquid mutual fund units, debt instruments	5,924.14	25,564.19
Payment to acquire financial assets - Liquid mutual fund units, debt instruments	(5,199.84)	(32,228.27)
Proceeds from maturity of bank deposits (having maturity of more than 3 months)	13,978.30	9,169.10
Investments in bank deposits (having maturity of more than 3 months)	(43,572.51)	(7,639.31)
Interest received	1,049.09	1,322.48
Net cash used in investing activities (B)	(34,107.48)	(27,421.25)

Consolidated Cash Flow Statement

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Particulars	March 31, 2023	March 31, 2022
C) Financing Activities		
Proceeds from issuance of equity share capital (net off expenses and including stock options exercised)	39,099.97	8,457.88
Reimbursement from shareholders	272.29	-
Proceeds from issuance of compulsorily convertible preference shares	-	956.22
Proceeds from issuance of share capital (Instruments entirely equity in nature)	-	25,501.56
Repayment of long-term borrowings (net)	(342.64)	(2,994.47)
Interest paid	(206.10)	(239.32)
Payment of interest portion of lease liabilities	(673.37)	(742.60)
Payment of principal portion of lease liabilities	(1,905.39)	(1,939.03)
(Repayment)/Proceeds from short-term borrowings	(859.93)	17.64
Net cash generated from financing activities (C)	35,384.83	29,017.88
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,004.60	(808.71)
Cash and cash equivalents at beginning of the year	1,949.92	2,758.63
Cash and cash equivalents at end of the year (refer note 12)	2,954.52	1,949.92
Non-Cash Financing Activities	March 31, 2023	March 31, 2022
Gain on modification/termination of lease contracts (refer note 22.2)	(212.28)	(210.27)
Fair value loss on financial liability at fair value through profit and loss	-	2,997.39
Non-cash investing activities	March 31, 2023	March 31, 2022
Portion of market based measure of Spoton share-based payments scheme attributable to pre-combination service (refer note 35 (1) (b))	-	106.74
Provision for termination benefit (Employee actuarial liability) (refer note 35 (2) (b))	-	34.80
Security Deposits (assets) (refer note 35 (2) (b))	-	(19.20)

Reconciliation of liabilities arising from financing activities

Particulars	March 31, 2023	Cash Flows	Non-cash changes	March 31, 2022
Long-term borrowings	1,988.74	(342.64)	-	2,331.38
Short-term borrowings	-	(859.93)	-	859.93
Lease liabilities	7,245.69	(2,578.76)	2,340.65	7,483.80
Particulars	March 31, 2022	Cash Flows	Non-cash changes	March 31, 2021
Long-term borrowings	2,331.38	(2,994.47)	3,339.54	1,986.31
Short-term borrowings	859.93	17.64	-	842.29
Lease liabilities	7,483.80	(2,681.63)	2,009.83	8,155.60

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: May 19, 2023

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

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

Amit Agarwal
Chief Financial Officer

Place: Goa
Date: May 19, 2023

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Goa
Date: May 19, 2023



Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

A. Equity Share Capital (refer note 14)

Particulars	Number	(₹ million)
Equity shares of ₹ 1 each issued (March 31, 2022: ₹ 1 each, March 31, 2021: ₹ 10 each) fully paid		
At March 31, 2021	1,667,930	16.33
Add: Issued during the year (stock options exercised)	21,092,338	22.70
Add: Converted from CCPS during the year (refer note 14 and note 16)	425,120,603	426.16
Add: Bonus shares issued during the year	17,656,835	176.57
Add: Amount called up during the year	-	0.35
Add: Equity shares arising on shares split from ₹ 10 to ₹ 1 per share	176,568,394	-
At March 31, 2022	642,106,100	642.11
Add: Issued during the year (including stock options exercised)	82,263,399	82.66
Add: Bonus shares issued during the year (refer note 15 (a))	395,059	3.95
Add: Equity shares arising on shares split from ₹ 10 to ₹ 1 per share (refer note 15 (a))	3,950,591	-
At March 31, 2023	728,715,149	728.72
	Number	(₹ million)
Instruments entirely equity in nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS) of ₹ 100 each (Series B, C, D, D1, E, F, H and I) issued, subscribed and fully paid		
At March 31, 2021	3,539,735	353.97
Add: Issued during the year	710,310	71.03
Less: Converted to equity during the year (refer note 14)	(4,250,045)	(425.00)
At March 31, 2022	-	-
Add: Issued during the year	-	-
At March 31, 2023	-	-

Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Description	Attributable to the equity holders of the Company			Items of OCI	Total
	Reserves and Surplus	Share-based payment reserve	Retained earnings		
Balance as at April 01, 2022	113,734.56	3,560.10	(58,369.30)	6.22	58,931.58
Loss for the year	-	-	(10,077.79)	-	(10,077.79)
Other comprehensive income/(loss)					
- Re-measurement losses on defined benefit plans	-	-	(16.34)	-	(16.34)
- Share of other comprehensive income of associate (net)	-	-	0.06	-	0.06
- Exchange differences on translation of foreign operations	-	-	-	28.58	28.58
Total comprehensive loss			(10,094.07)	28.58	(10,065.49)
Add: ESOPs exercised (transferred ₹ 848.47 million from share-based payment reserve)	919.63	-	-	-	919.63
Add: Reimbursement from shareholders	-	272.29	-	-	272.29
Less: Transferred to securities premium on exercise of stock options	-	(848.47)	-	-	(848.47)
Add: Securities premium on equity shares issued during the year	39,917.86	-	-	-	39,917.86
Less: Bonus issued during the year	(3.95)	-	-	-	(3.95)
Less: Share issue expenses	(972.21)	-	-	-	(972.21)
Add: Share-based payment expense	-	2,891.41	-	-	2,891.41
Balance as at March 31, 2023	153,595.89	5,603.04	(68,463.37)	34.80	91,042.65

B. Other Equity (refer note 15) For the year ended March 31, 2023



Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

Description	Attributable to the equity holders of the Company			Items of OCI	Total
	Reserves and Surplus	Share-based payment reserve	Retained earnings		
Balance as at April 01, 2021	74,306.86	1,958.24	(48,279.41)	11.96	27,997.66
Loss for the year	-	-	(10,110.00)	-	(10,110.00)
Other comprehensive income/(loss)					
- Re-measurement gains on defined benefit plans	-	-	20.11	-	20.11
- Exchange differences on translation of foreign operations	-	-	-	(5.74)	(5.74)
Total comprehensive loss			(10,089.89)	(5.74)	(10,095.63)
Add: ESOPs exercised (Transferred ₹ 1,589.09 million from share-based payment reserve)	1,864.23	-	-	-	1,864.23
Less: Transferred to securities premium on exercise of stock options	-	(1,589.09)	-	-	(1,589.09)
Add: ESOP expenses on acquisition of subsidiary	-	106.74	-	-	106.74
Add: Securities premium on equity shares issued during the year	8,171.06	-	-	-	8,171.06
Add: Premium on conversion of preference share to equity share	4,138.45	-	-	-	4,138.45
Add: Securities premium on CCCPS issued during the year (series H and series I)	25,599.70	-	-	-	25,599.70
Less: Bonus issued during the year	(176.57)	-	-	-	(176.57)
Less: Share issue expenses (Series H and Series I)	(169.17)	-	-	-	(169.17)
Add: Share-based payment expense	-	3,084.21	-	-	3,084.21
Balance as at March 31, 2022	113,734.56	3,560.10	(58,369.30)	6.22	58,931.58

Summary of significant accounting policies 2.2

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batilboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E3000004

per Yogesh Midha

Partner

Membership No.: 094941

Place: New Delhi

Date: May 19, 2023

For and on behalf of the board of directors of Delhivery Limited (formerly known as Delhivery Private Limited)**Sandeep Kumar Barasia**

Executive Director and Chief Business Officer

DIN: 01432123

Place: Goa

Amit Agarwal

Chief Financial Officer

Place: Goa

Date: May 19, 2023

Sahil Barua

Managing Director and Chief Executive Officer

DIN: 05131571

Place: Goa

Sumil Kumar Bansal

Company Secretary

FCS-4810

Place: Goa

Date: May 19, 2023

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023

CIN: L63090DL2011PLC221234

(All amounts in Indian Rupees in million, unless otherwise stated)

1. Corporate Information

Delhivery Limited (formerly known as Delhivery Private Limited) (hereinafter referred to as "The Company" or "Delhivery"), was incorporated as SSN Logistics Private Limited on June 22, 2011 under the provisions of the Companies Act, 1956. The Company changed its name to Delhivery Private Limited as of 8th Day of December 2015. The registered office of the Company is located at N24-N34, S24-S34, Air Cargo Logistics Centre-II, Opposite Gate 6 Cargo Terminal, IGI Airport, New Delhi - 110 037.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on September 29, 2021 and consequently the name of the Company has changed to Delhivery Limited pursuant to a fresh certificate of incorporation by the Registrar of Companies on October 12, 2021. Its shares got listed on two recognised stock exchange in India i.e. BSE and NSE on May 24, 2022.

The Company and its subsidiaries (collectively referred to as "the Group") is engaged in the business of warehousing and last mile logistics and also involved in designing and deploying logistics management systems, provide logistics and supply chain consulting/ advice, provide inbound/procurement support and other activities of a similar nature.

The consolidated financial statements for the year ended March 31, 2023, were approved by the Board of Directors and authorised for issue on May 19, 2023.

2. Basis of preparation of financial statements and Significant Accounting Policies

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with the requirements of Indian Accounting Standard specified under Section 133 of the Companies Act, 2013 ("the Act"), read with of 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, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The consolidated financial statements have been prepared under the historical cost convention on the accrual basis except certain financial instrument which are measured at fair values, wherever applicable, at the end of each reporting period, as explained in the accounting policies below.

The consolidated financial statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest million (as per the requirement of Schedule III), unless otherwise stated.

2.2 Summary of significant accounting policies

a) Use of estimates

The preparation of the consolidated financial statements in conformity with the principles of Ind AS requires the management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

b) Business combination and goodwill

Business combinations are accounted for using the acquisition method.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisition method

The acquisition method of accounting is used to account for all business combinations. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the group; and
- fair value of any asset or liability resulting from a contingent consideration arrangement.

However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.



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The excess of the

- (i) consideration transferred;
- (ii) amount of any non-controlling interest in the acquired entity, and
- (iii) acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired and liabilities assumed is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in Consolidated statement of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised Consolidated statement of profit and loss or other comprehensive income, as appropriate.

Investment in associates

Associate

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investments in its associates are accounted for using the equity method. Under the equity method, the investment in associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associates since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The Consolidated statement of profit and loss reflects the Group's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associates, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and associate are eliminated to the extent of the interest in the associate.

If an entity's share of losses of an associate equals or exceeds its interest in the associate (which includes any long-term interest that, in substance, form part of the Group's net investment in the associate), the entity discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the entity resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit and loss of an associate is shown on the face of the Consolidated statement of profit and loss.

The financial statements of the associate are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the

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associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the Consolidated statement of profit and loss.

Upon loss of significant influence over associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the Consolidated statement of profit and loss.

c) Current versus non-current classification

The Group presents assets and liabilities in the consolidated balance sheet based on current/non-current classification. An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The group has identified twelve months as its operating cycle.

d) Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. Functional currency is the currency of the primary economic environment in which the entities forming part of Group operates and is normally the currency in which the entities forming part of Group primarily generates and expends cash.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in consolidated statement of profit and loss with the exception of the following:

- i) In the consolidated financial statements that include the foreign operation and the reporting entity (e.g. consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit and loss on disposal of the net investment.
- ii) Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Foreign subsidiaries and branches

On consolidation, the assets and liabilities of foreign operations are translated into Indian Rupees at the rate of exchange prevailing at the reporting date and their consolidated statement of profit and loss are translated at exchange rates prevailing at the dates of the transactions.

For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the Consolidated statement of profit and loss.



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Cumulative currency translation differences for all foreign operations are deemed to be zero at the date of transition, viz. April 01, 2016. Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

e) Fair value measurement

The Group measures financial instruments such as Investment in cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group's management determines the policies and procedures for both recurring fair value measurement, such as cumulative compulsorily convertible preference shares (CCCPS), Investment in mutual funds, similar financial instruments measured at fair value. The team comprises of the Chief Financial Officer (CFO) and Finance Controller.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided on the basis of nature of transaction and complexity involved. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. A change in fair value of assets and liabilities is also compared with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

f) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment loss, if any

Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in Consolidated statement of profit and loss as incurred.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

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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 April 01, 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on all property plant and equipment are provided on a written down value based on the estimated useful life of the asset, which is as follows:

Property, plant and equipment	Useful lives as per Schedule II	Useful lives estimated by management
Computer	3 years	3 years
Computer server	6 years	6 years
Office equipment	5 years	3-5 years
Furniture & Fittings	10 years	5 years
Vehicles	8 years	8 years
Plant and Machinery	10 years	5-10 years

Leasehold improvements are amortised over five years or life based on lease period.

The useful life of furniture and fittings, plant and machinery and office equipment are estimated as 5 years, 5-10 years and 3-5 years respectively. These lives are lower than those indicated in schedule II to Companies Act, 2013.

The management has estimated the useful lives and residual values of all property, plant and equipment and adopted useful lives based on management's technical assessment of their respective economic useful lives. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on the assets purchased during the year is provided on pro-rata basis from the date of purchase of the assets.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated statement of profit and loss when the asset is derecognised.

g) Intangible assets

Intangible assets (mainly includes software and trade marks) acquired separately are measured on initial recognition at cost. The amortisation period and the amortisation method for an Intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite

lives is recognised in the Consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

IT Softwares, Trademarks and Patents are to be depreciated over 5 years as its useful life.

An intangible asset is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated statement of profit and loss when the asset is derecognised.

Intangible assets acquired in business combination, include non-compete and customer relationship which are amortised over the period of five years on written down value basis.

h) Leases

On initial application of Ind AS 116, the Group has taken the cumulative adjustment to retained earning and Lease equalisation reserve, consequently the group discounted using the Group's incremental borrowing rate at April 01, 2019 whereas the Group has elected to measure ROU at its carrying amount as if Ind AS 116 had been applied since the lease commencement date, but discounted using the Group's incremental borrowing rate at April 01, 2019.

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.



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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.

iii) Short-term leases

The Group applies the short-term lease recognition exemption to its properties (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

i) Inventories

Inventories are valued at lower of cost and net realisable value. Inventory primarily consist of packing material and consumables.

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

j) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer, at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customers.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in note 31 of the consolidated financial statements.

Performance obligation

At contract inception, the Group assess the goods and services promised in contracts with customers and identifies various performance obligations to provide distinct goods and services to the customers. The Group has determined following distinct goods and services that represent its primary performance obligation.

The transaction price of goods sold and services rendered is net of variable consideration on account of various elements like discounts etc. offered by the Group as part of the contract.

Delivery services includes:

- Revenue from Express Parcel Services
- Revenue from Part Truck Load Services (PTL)
- Revenue from Truck Load Services (TL)
- Revenue from cross – border services

Revenue from these services are 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. Group also provide certain ancillary logistics services, such as handling of goods, customs clearance services etc. The service period for these services is usually for a very short duration, generally few days or weeks. Hence, revenue from these services is recognised over the service period as the Group perform the primary obligation of delivery of goods.

Other allied services includes:

- Revenue from supply chain services

Revenue from these services are recognised over time as the customer simultaneously avails the benefits of these services. Hence, the revenue from such services is recognised on a monthly basis, basis the amount fixed as per the agreements.

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 recognised 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, non-cash consideration, and consideration payable to the customers (if any).

Dividend

Dividend income is recognised when the group's right to receive dividend is established by the reporting date.

Interest

Interest income is recognised when it is probable that the economic benefits will flow to the Group and amount of income can be measured reliably.

Contract balances

The Policy for Contract balances i.e. contract assets, trade receivables and contract liabilities is as follows:

Contract assets

A contract asset is the right to receive consideration in exchange for services already transferred to the customer (which consist of unbilled revenue). By transferring services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is unconditional.

Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in financial instruments – initial recognition and subsequent measurement.

Contract liabilities

A contract liability is the obligation to deliver services to a customer for which the Group has received consideration or part thereof (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group deliver services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

k) Retirement and other employee benefits

Retirement benefit in the form of provident fund and social security is a defined contribution scheme. The group has no obligation, other than the contribution

payable to the provident fund/social security. The group recognises 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 recognised 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 recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to Consolidated statement of profit and loss in subsequent periods.

Past service costs are recognised in the consolidated statement profit and loss on the earlier of:

- 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 consolidated 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 utilised 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 recognises 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 consolidated statement



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of profit and loss and are not deferred. The obligations are presented as current liabilities in the consolidated statement of assets and liabilities if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

l) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside consolidated statement profit and loss is recognised outside consolidated statement profit and loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Advance taxes and provisions for current income taxes are presented in the consolidated balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred taxes

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- i) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss,
- ii) In respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax

assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- i) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit and loss,
- ii) In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Consolidated statement of profit and loss is recognised outside Consolidated statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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m) Share-based payments

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Consolidated statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through Consolidated statement of profit and loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

n) Segment reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ("CODM") decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

o) Earning per share

Basic earnings per share are calculated by dividing the net profit and loss for the period attributable to equity shareholders of the Parent Company (after deducting preference dividends and attributable taxes) by the weighted average number of equity and preference shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit and loss for the period attributable to equity shareholders of the Parent Company and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Provisions and contingent liabilities

i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii) Contingent liabilities

Contingent liability is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or is a present obligation that arises from past event but is not recognised because either it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or a reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are disclosed and not recognised.

iii) Decommissioning liability ("Asset retirement obligation")

The Group records a provision for decommissioning costs of leasehold premises. Decommissioning



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costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised 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 recognised in the Consolidated statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through Consolidated statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurements

For purposes of subsequent measurement, financial assets are classified in two categories:

- i) Financial assets carried at amortised cost
- ii) Financial assets at fair value through profit or loss (FVTPL).

Financial assets at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- i) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- ii) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Consolidated statement of profit and loss.

Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial assets instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated statement of profit and loss.

Equity instruments

The Group subsequently measures all equity investments in scope of Ind AS 109 at fair value, with net changes in fair value recognised in the Consolidated statement of profit and loss.

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.

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:

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- 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 recognises 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) recognised during the period is recognised as income/ expense in the Consolidated statement of profit and loss. This amount is reflected under the head 'other expenses' in the Consolidated statement of profit and loss.

The consolidated balance sheet presentation for various financial instruments is described below:

- i. Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the consolidated Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include Compulsorily Convertible Preference, trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

Financial liabilities at fair value through profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading or financial 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



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for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the consolidated statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to P&L. However, the group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated statement of profit and loss. The group has designated CCPS to be measured at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

r) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared

separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/ forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses are recognised in the Consolidated statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

s) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

t) Cash and cash equivalents

Cash and cash equivalent in the consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts (if any) as they are considered an integral part of the Group's cash management.

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u) Convertible preference shares

Convertible preference shares are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised 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 recognised 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 recognised.

2.3 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its associate for the year ended March 31, 2023 and March 31, 2022.

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:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the years are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of

the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The consolidated financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e. year ended on March 31, 2023 and March 31, 2022.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- 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.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group [profits or losses resulting from intragroup transactions that are recognised in assets (if any), such as inventory, are eliminated in full]. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidated statement of profit and loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests



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- 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.

2.4 Change in accounting policies and disclosures

1. Change in EBITDA Policy

Up-to financial year ended March 31, 2021, the entity was disclosing (Earnings before interest, tax, depreciation, and amortisation) (EBITDA) as a separate line item on the face of statement of profit and loss. Effective financial ended March 31, 2022, the Company has omitted the disclosure of EBITDA.

This change aligns the entity's accounting policy with the general industry practice, thereby enhancing the comparability of the entity's financial statements with those of other market participants within the industry. This voluntary change in accounting policy has been disclosed by changing the presentation of comparative information for the preceding period. The change in accounting policy has impacted the financial statements as follows:

(Amounts in Indian Rupees in million)

Statement of profit and Loss	March 31, 2023 (without considering the effect of change in accounting policy)	Increase/ (decrease) due to change in accounting policy	March 31, 2023 (after considering the effect of change in accounting policy)	March 31, 2022 (without considering the effect of change in accounting policy)	Increase/ (decrease) due to change in accounting policy	March 31, 2022 (after considering the effect of change in accounting policy)
Other Income	763.50	2,285.98	3,049.48	851.69	709.72	1,561.41
Finance Income	2,285.98	(2,285.98)	-	709.72	(709.72)	-
Finance cost	888.30	-	888.30	995.29	-	995.29
Depreciation and amortisation expense	8311.44	-	8311.44	6,107.47	-	6,107.47
EBITDA	(3,752.58)	3,752.58	-	(3,867.99)	3,867.99	-

The change in accounting policy had no impact on previously reported financial position and cash flows from operating, investing and financing activities.

2(a) - New and amended standards

(i) Onerous Contracts – Costs of Fulfilling a Contract – Amendments to Ind AS 37

The amendments to Ind AS 37 specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs for example direct labour and materials and an allocation of other costs directly related to contract activities for example an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no material impact on the consolidated financial statements of the Group.

(ii) Reference to the Conceptual Framework – Amendments to Ind AS 103

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 Business Combinations to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets or Appendix C, Levies, of Ind AS 37, if incurred separately.

It has also been clarified that the existing guidance in Ind AS 103 for contingent assets would not be affected by replacing the reference to the Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no material impact on the consolidated financial statements of the Group.

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(iii) Property, Plant and Equipment: Proceeds before Intended Use – Amendments to Ind AS 16

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no material impact on the consolidated financial statements of the Group.

(iv) Ind AS 109 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

The amendments are effective for annual reporting periods beginning on or after April 01, 2022. These amendments had no material impact on the consolidated financial statements of the Group.

(v) Ind AS 41 Agriculture – Taxation in fair value measurements

The amendment removes the requirement in paragraph 22 of Ind AS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of Ind AS 41.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated March 23, 2022, applicable for annual periods beginning on or after April 01, 2022. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after April 01, 2022. These amendments had no material impact on the consolidated financial statements of the Group.

2(b) - Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April, 01 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 01, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The Group is currently assessing the impact of the amendments. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 01, 2023. Consequential amendments have been made in Ind AS 107.

The Group is currently assessing the impact of the amendments. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. Consequential amendments have been made in Ind AS 101. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 01, 2023.

The Group is currently assessing the impact of the amendments. The Group does not expect the amendment to have any significant impact in its consolidated financial statements.



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Particulars	Computers/ Servers	Office Equipment	Furniture and Fixtures	Vehicles#	Plant and Equipment	Leasehold Improvements	Land and Building (refer note 1)	Total	Capital work-in-progress
Gross carrying value									
At March 31, 2021	727.04	1,809.28	1,453.40	570.25	1,116.42	1,412.96	-	7,089.35	765.15
At April 01, 2021	727.04	1,809.28	1,453.40	570.25	1,116.42	1,412.96	-	7,089.35	765.15
Asset Acquired through assets purchase agreement (refer note 35 (2) (b))*	28.19	104.30	9.78	216.19	4.59	44.48	61.93	469.46	-
Asset acquired on acquisition of business (refer note 35 (1) (b))	44.62	42.61	15.48	0.97	37.15	50.76	-	191.59	-
Additions	606.80	1,082.63	890.47	960.92	1,376.96	741.37	-	5,659.15	598.74
Disposals/capitalised during the year	(99.46)	(134.84)	(100.06)	(6.79)	(27.44)	(24.08)	-	(392.67)	(779.81)
At March 31, 2022	1,307.19	2,903.98	2,269.07	1,741.54	2,507.68	2,225.49	61.93	13,016.88	584.08
At April 01, 2022	1,307.19	2,903.98	2,269.07	1,741.54	2,507.68	2,225.49	61.93	13,016.88	584.08
Asset acquired on acquisition of business (refer note 35 (1) (a))	0.04	0.03	0.03	-	-	-	-	0.10	-
Additions	309.00	818.45	1,220.94	1,328.84	1,156.44	795.24	-	5,628.91	214.74
Disposals/capitalised during the year	(306.54)	(391.84)	(126.92)	(72.48)	(100.12)	(76.20)	-	(1,074.10)	(583.54)
At March 31, 2023	1,309.69	3,330.62	3,363.12	2,997.90	3,564.00	2,944.53	61.93	17,571.79	215.28
Accumulated depreciation									
At March 31, 2021	533.71	1,135.48	997.65	408.83	773.69	860.28	-	4,709.64	-
At April 01, 2021	533.71	1,135.48	997.65	408.83	773.69	860.28	-	4,709.64	-
Charge for the year	285.44	562.15	374.26	278.35	538.42	394.50	-	2,433.12	-
Disposals during the year	(92.82)	(114.72)	(95.55)	(5.87)	(25.71)	(16.61)	-	(351.28)	-
At March 31, 2022	726.33	1,582.91	1,276.36	681.31	1,286.40	1,238.17	-	6,791.48	-
At April 01, 2022	726.33	1,582.91	1,276.36	681.31	1,286.40	1,238.17	-	6,791.48	-
Charge for the year	519.97	853.88	776.39	530.60	483.84	645.20	-	3,809.88	-
Disposals during the year	(294.07)	(347.91)	(119.55)	(45.07)	(97.93)	(75.74)	-	(980.27)	-
At March 31, 2023	952.23	2,088.88	1,933.20	1,166.84	1,672.31	1,807.63	-	9,621.09	-
Net block									
Balance as on March 31, 2023	357.46	1,241.74	1,429.92	1,831.06	1,891.69	1,136.90	61.93	7,950.70	-
Balance as on March 31, 2022	580.86	1,321.07	992.71	1,060.24	1,221.28	987.32	61.93	6,225.40	-

Vehicles under loan contracts as at March 31, 2023 were ₹ 2,836.54 million (March 31, 2022: ₹ 1,522.22 million). Additions during the year ended March 31, 2023 is ₹ 1,314.32 million (March 31, 2022: ₹ 960.92 million). Loans assets are hypothecated as security for the related loan.

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Change in useful life of property plant and equipment

During the year ended March 31, 2023, based on its assessment of technical and other factors, the Group has re-assessed the useful life of certain property, plant and equipment. Pursuant to such change in useful life the loss before tax during the year ended March 31, 2023 has decreased by ₹ 811.51 million and loss per share has decreased from ₹ 15.23 to ₹ 14.09.

Particulars	Original useful life (years)	Revised useful life (years)	Decrease in Depreciation
Plant and Equipment (Sorters and Conveyors)	5	10	369.25
Vehicles	3.86	8	421.15
Leasehold improvements (Mega Facilities)	5	As per lease term	21.11
Total			811.51

Note 1: Title deeds of Immovable Property not held in the name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the Company
Property, plant and equipment	Land and Building	61.93	Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex')	No	December 06, 2021	Refer note below *

* The tangible assets pertaining to the overall asset acquisition of Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') are in the course of transfer from Fedex Express Transportation and Supply Chain Services (India) Private Limited ('Fedex') to Delhivery Limited (formerly known as Delhivery Private Limited) and the said transfer shall be duly completed before March 31, 2024.

3(a). Capital work-in-progress (Ageing schedule)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2023					
Projects in progress	215.28	-	-	-	215.28
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2022					
Projects in progress	583.54	0.54	-	-	584.08
Projects temporarily suspended	-	-	-	-	-

4. Other intangible assets and Goodwill

Particulars	Software	Trade Mark	Customer relationships	Vendor relationships	Brand	Non-compete	Others*	Patent	Total	Goodwill **	Intangible assets under development#
Gross carrying value											
At March 31, 2021	292.82	50.98	61.10	-	-	1.70	-	-	406.60	186.48	2.40
At April 01, 2021	292.82	50.98	61.10	-	-	1.70	-	-	406.60	186.48	2.40
Asset Acquired through assets purchase agreement (refer note 35 (2) (b))	0.42	-	488.88	-	-	180.61	724.90	-	1,394.81	-	-
Asset Acquired through assets purchase agreement (refer note 35 (2) (c))	37.19	-	-	-	-	-	-	-	37.19	-	-
Asset acquired on acquisition of business (refer note 35 (1) (b))	300.67	-	1,367.90	309.50	1,014.50	-	-	-	2,992.57	13,764.94	-
Additions	180.60	-	-	-	-	-	-	-	180.60	-	20.29
Disposals	(7.17)	-	-	-	-	-	-	-	(7.17)	-	(7.70)
At March 31, 2022	804.53	50.98	1,917.88	309.50	1,014.50	182.31	724.90	-	5,004.60	13,951.42	14.99



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Particulars	Software	Trade Mark	Customer relationships	Vendor relationships	Brand	Non-competes	Others*	Patent	Total	Goodwill **	Intangible assets under development#
At April 01, 2022	804.53	50.98	1,917.88	309.50	1,014.50	182.31	724.90	-	5,004.60	13,951.42	14.99
Asset Acquired through assets purchase agreement (refer note 35 (2) (a))	-	-	-	-	-	67.70	-	-	67.70	74.48	-
Asset acquired on acquisition of business (refer note 35 (1) (a))	50.54	-	5.13	-	-	-	-	-	55.67	-	-
Additions	74.59	-	-	-	-	-	-	0.27	74.86	-	18.26
Disposals	-	-	-	-	-	-	-	-	-	-	(13.81)
At March 31, 2023	929.66	50.98	1,923.01	309.50	1,014.50	250.01	724.90	0.27	5,202.83	14,025.90	19.44
Accumulated amortisation											
At March 31, 2021	162.66	50.98	51.96	-	-	1.45	-	-	267.05	-	-
At April 01, 2021	162.66	50.98	51.96	-	-	1.45	-	-	267.05	-	-
Charge for the year	177.75	-	472.34	84.46	276.85	34.70	138.67	-	1,184.77	152.38	-
Disposals	(6.81)	-	-	-	-	-	-	-	(6.81)	-	-
At March 31, 2022	333.60	50.98	524.30	84.46	276.85	36.15	138.67	-	1,445.01	152.38	-
At April 01, 2022	333.60	50.98	524.30	84.46	276.85	36.15	138.67	-	1,445.01	152.38	-
Charge for the year	360.11	-	688.94	225.04	332.46	91.18	352.79	0.10	2,050.62	252.82	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
At March 31, 2023	693.71	50.98	1,213.24	309.50	609.31	127.33	491.46	0.10	3,495.63	405.20	-
Net Block											
Balance as on March 31, 2023	235.95	-	709.77	-	405.19	122.68	233.44	0.17	1,707.20	13,620.70	19.44
Balance as on March 31, 2022	470.93	-	1,393.58	225.04	737.65	146.16	586.23	-	3,559.59	13,799.04	14.99

* Above balance of ₹ 724.90 million includes amount of Cross Border Franchisee Agreement - imports of ₹ 391.80 million and Cross Border Franchisee Agreement - exports of ₹ 333.10 million.

Intangible assets under development (Ageing schedule)

Particulars	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
As at March 31, 2023					
Projects in progress	17.73	1.71	-	-	19.44
Projects temporarily suspended	-	-	-	-	-
As at March 31, 2022					
Projects in progress	14.99	-	-	-	14.99
Projects temporarily suspended	-	-	-	-	-

** The Company performs test for goodwill impairment at least annually on March 31, or if indicators of impairment arise, such as the effects of obsolescence, demand, competition and other economic factors or on occurrence of an event or change in circumstances that would more likely than not reduce the fair value below its carrying amount. When determining the fair value, we utilise various assumptions, including operating results, business plans and projections of future cash flows. Any adverse changes in key assumptions about our businesses and their prospects or an adverse change in market conditions may cause a change in the estimation of fair value and could result in an impairment charge.

The recoverable amounts of CGUs are based on value-in-use, which are determined based on five year business plans that have been approved by management for internal purposes. The said planning horizon reflects the assumptions for short-to-mid term market developments. Considering this and the consistent use of such robust five-year information for management reporting purposes, the Company uses five-year plans for the purpose of impairment testing. Management believes that this planning horizon reflects the assumptions for the expected performance in the markets in which the Company operates.

Management has done impairment analysis as on March 31, 2023 and did not find any impairment.

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Assumptions considered while performing goodwill impairment testing are as follows:

EBITDA	The EBITDA margins have been estimated based on past experience after considering the impact of incremental revenue and synergies benefits that the Company will get in future due to increase in process efficiencies. Margins will be positively impacted from the efficiencies, growth in top line and cost rationalisation / others initiatives driven by the Company;
Discount Rate	Discount rate reflects the current market assessment of the risks specific to a CGU based on the weighted average cost of capital ("WACC") for respective CGU. Pre-tax discount rates used are 16.64% for the year ended March 31, 2023 (March 31, 2022: 20.73%). The WACC takes into account both debt and equity.
Growth rates	The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal/ external sources of information. The average terminal growth rate used in extrapolating cash flows beyond the planning period is 5% for March 31, 2023 and for March 31, 2022.

5. Financial assets - Investments

Particulars	Non-Current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(A) Investments at Cost				
Investments in Unquoted equity instruments (fully paid)				
(i) Investments in Associates				
Falcon Autotech Private Limited	2,622.46	2,486.67	-	-
609,539 (March 31, 2022: 609,539) equity shares of ₹ 10 each				
(ii) Investments at fair value through Profit & Loss				
Investments in Unquoted equity instruments (fully paid)				
Leapmile Logistics Private Limited	-	-	-	-
100 (March 31, 2022: 100) equity shares of ₹ 8,836.14 each (includes securities premium of ₹ 8,835.14) each fully paid up				
Moonshots Internet Private Limited	-	-	-	-
100 (March 31, 2022: 100) equity shares of ₹ 7,494.40 (includes security premium of ₹ 7,493.40) each fully paid up				
NAXR Logistics Private Limited	-	-	-	-
2,000 (March 31, 2022: 2,000) equity shares of ₹ 10,000 each (includes security premium of ₹ 9,990) each fully paid up				
Investments in Unquoted preference shares (fully paid)				
Boxseat Ventures Private Limited	197.90	-	-	-
19,790,425 (March 31, 2022: Nil) preference shares of ₹ 10 each fully paid up				
Leapmile Logistics Private Limited	-	-	-	-
3,472 (March 31, 2022: 3,472) preference shares of ₹ 8,836.14 (includes security premium of ₹ 8,835.14) each fully paid up				
Moonshots Internet Private Limited	-	-	-	-
31,924 (March 31, 2022: 31,924) preference shares of ₹ 7,494.40 (includes security premium of ₹ 7,493.40) each fully paid up				
NAXR Logistics Private Limited	-	-	-	-
105 (March 31, 2022: 105) preference shares of ₹ 14,245 each (includes security premium of ₹ 14,235) each fully paid up				
NAXR Logistics Private Limited	-	-	-	-
3,007 (March 31, 2022: 3,007) preference shares of ₹ 49,875 each (includes security premium of ₹ 49,865) each fully paid up				
Total (A = i+ii)	2,820.36	2,486.67	-	-
(B) Investments at fair value through Profit & Loss				
(iii) Perpetual Bond (Quoted)				
500 (March 31, 2022: 500) 9.45% State Bank Of India Series III Bd Perpetual of ₹ 1,006,010 (March 31, 2022: ₹ 1,071,393)	-	535.70	503.01	-
250 (March 31, 2022: 250) 9.90% ICICI Bank Limited Sr Dde18At 9.90 Bd Perpetual (31-Dec-2099) of ₹ 1,007,916 (March 31, 2022: ₹ 1,057,390)	-	264.35	251.98	-
Nil (March 31, 2022: 500) 8.85% HDFC Bank Basel iii Perpetual Bonds Series 1/2017-18 (12-May-2060) of Nil (March 31, 2022: ₹ 999,733)	-	499.87	-	-



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Particulars	Non-Current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
(iv) Bonds (Quoted)				
119,318,071.47 (March 31, 2022: Nil) ABSL NIFTY SDL PSU BOND SEP 2026 of ₹ 10.49 (March 31, 2022: Nil)	1,251.41	-	-	-
Nil (March 31, 2022: 400) 7.09% Rec Limited Series 185 BD 13DC22 Fvrs10LAC of Nil (March 31, 2022: ₹ 1,012,009)	-	-	-	404.80
Nil (March 31, 2022: 100) 7.24% Rec Limited Series 187 BD 31DC22 Fvrs10LAC of Nil (March 31, 2022: ₹ 1,017,783)	-	-	-	101.78
Nil (March 31, 2022: 200) 7.35% Power Finance Corporation Ltd. Series 191 BD 15OT22 Fvrs10LAC of Nil (March 31, 2022: ₹ 1,013,224)	-	-	-	202.64
Nil (March 31, 2022: 250) 9.02% Rec Bonds 22/11/2022 of Nil (March 31, 2022: ₹ 1,058,576.13)	-	-	-	264.64
7,360,000 (March 31, 2022: 7,360,000) Nippon India ETF Nifty CPSE Bond Plus SDL 2024 of ₹ 111.76 (March 31, 2022: ₹ 108.27)	822.55	796.87	-	-
11,000,000 (March 31, 2022: 11,000,000) Nippon India ETF Nifty CPSE Bond Plus SDL 2026 of ₹ 111.85 (March 31, 2022: ₹ 106.90)	1,230.35	1,175.90	-	-
(v) Non-Convertible Debentures (Quoted)				
500 (March 31, 2022: 500) 9.45% State Bank Of India NCD FV10Lac 22 Mar 2030 (22-Mar-2030) of ₹ 1,006,010 (March 31, 2022: ₹ 1,071,393)	-	535.70	503.01	-
(vi) Mutual fund (Quoted)				
Nil (March 31, 2022: 10,02,320.18) units of ICICI PRUDENTIAL MONEY MARKET FUND of Nil (March 31, 2022: ₹ 306.89)	-	-	-	307.61
Nil (March 31, 2022: 3,64,157.24) Direct-Kotak Money Market Scheme-Growth of Nil (March 31, 2022: ₹ 3,620.71)	-	-	-	1,318.51
24,567,626.27 (March 31, 2022: 5,12,51,015) Direct Plan-SBI Savings Fund-Growth of ₹ 37.57 (March 31, 2022: ₹ 35.56)	-	-	923.04	1,822.56
Nil (March 31, 2022: 391,506) HDFC MONEY MARKET DIRECT-GROWTH. Nil (March 31, 2022: ₹ 4,654.80)	-	-	-	1,822.38
100,608,713.40 (March 31, 2022: Nil) Bandhan CRISIL IBX Gilt April 2028 Index Fund of ₹ 10.95 (March 31, 2022: Nil)	-	-	1,101.59	-
198,748.15 (March 31, 2022: 198,748.15) Axis Banking & PSU Debt Direct-Growth of ₹ 2,288.57 (March 31, 2022: ₹ 2,187.06)	-	-	454.85	434.67
977,007 (March 31, 2022: 9,77,007) units of Bharat Bond ETF 2023-Growth of ₹ 1,229.07 (March 31 2022: ₹ 1,170.44)	-	-	1,200.81	1,143.53
143,719,159.08 (March 31, 2022: Nil) Direct - ICICI Prudential Nifty PSU Bond Plus SDL Sep 2027 40:60 Index Fund Growth of ₹ 10.47 (March 31, 2022: Nil)	-	-	1,504.90	-
129,610,525.22 (March 31, 2022: Nil) Direct Plan-SBI CPSE Bond Plus SDL Sep 2026 50:50 Index Fund Growth of ₹ 10.42 (March 31, 2022: Nil)	-	-	1,349.93	-
1,178,561 (March 31, 2022: 1,178,561) units of Bharat Bond ETF 2023-Growth of ₹ 1,224.34 (March 31 2022: ₹ 1,172.56)	-	-	1,442.96	1,381.93
179,946,547.02 (March 31, 2022: 179,946,547.02) Bharat Bond FOF Apr-2025-Growth of ₹ 11.10 (March 31, 2022: ₹ 10.82)	-	-	1,997.78	1,947.56
142,643,506.90 (March 31, 2022: 142,643,506.90) Bharat Bond FOF Apr-2026-Growth of ₹ 11.07 (March 31, 2022: ₹ 10.74)	-	-	1,579.11	1,532.06
67,386,616.52 (March 31, 2022: 67,386,616.52) IDFC Corporate Bond Direct-Growth of ₹ 16.60 (March 31, 2022: ₹ 16.04)	-	-	1,118.77	1,080.89
689,928.54 (March 31, 2022: 689,928.54) Direct Plan-Kotak Floating of ₹ 1,283.41 (March 31, 2022: ₹ 1,227.33)	-	-	885.46	846.77
Total (B = iii + iv + v + vi)	3,304.31	3,808.39	14,817.20	14,612.33
Total (A+B)	6,124.67	6,295.06	14,817.20	14,612.33
Other disclosures				
Aggregate book value of quoted investments	17,032.07	17,637.12		
Aggregate market value of quoted investments	18,121.51	18,420.73		
Aggregate amount of unquoted investments	2,820.36	2,486.67		

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6. Inventories

Particulars	March 31, 2023	March 31, 2022
Inventories		
- Packing material and consumables	193.56	224.31
- Trading Goods	-	28.75
Total Inventories	193.56	253.06

7. Trade Receivables

Particulars	March 31, 2023	March 31, 2022
Trade receivables	9,436.37	9,902.50
Total Trade Receivables	9,436.37	9,902.50

Break-up of trade receivables

Particulars	March 31, 2023	March 31, 2022
Trade Receivables		
Unsecured, considered good	9,436.37	9,902.50
Trade receivables-credit impaired	3,302.37	2,749.26
	12,738.74	12,651.76

Impairment Allowance (allowance for bad and doubtful debts)

Unsecured, considered good	-	-
Trade receivables-credit impaired	(3,302.37)	(2,749.26)
	(3,302.37)	(2,749.26)
Total Trade Receivables	9,436.37	9,902.50

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 34

Trade receivables includes:

Dues from companies in which the Group's non-executive directors is a director:

- Tata Steel Limited	7.23	3.99
- Hindustan Unilever Limited (till February 11, 2023)	-	8.51
- Ashok Leyland Limited	12.05	28.37
- Marico Limited	66.86	69.76
- Bundl Technologies Pvt. Ltd.	0.03	-

The allowance for bad and doubtful debts as of year ended March 31, 2023 and changes in the allowance for doubtful accounts during the year ended on March 31, 2023 and March 31, 2022 were as follows:

Particulars	March 31, 2023	March 31, 2022
Opening balance	2,749.26	2,076.13
Add: Acquisition through business combination during the year	-	124.79
Add: Provision created during the year	1,447.15	1,435.48
Less: Write offs, net of recoveries	(894.05)	(887.14)
Closing balance	3,302.37	2,749.26



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Trade receivables ageing schedule for year period ended March 31, 2023

Particulars	Not due	Outstanding for following periods from due date of payment [#]					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,995.50	5,501.64	685.80	111.03	78.61	63.79	9,436.37
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.51	19.39	118.46	326.26	347.49	526.97	1,339.08
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	109.22	490.93	517.07	256.45	520.28	69.34	1,963.29
Total	3,105.23	6,011.96	1,321.33	693.74	946.38	660.10	12,738.74

Trade receivables ageing schedule for the year ended March 31, 2022

Particulars	Not due	Outstanding for following periods from due date of payment [#]					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	5,812.40	3,676.33	290.84	51.28	20.09	51.56	9,902.50
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	0.09	35.19	95.55	315.67	262.59	213.20	922.29
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	107.45	356.20	359.25	792.49	146.53	65.05	1,826.97
Total	5,919.94	4,067.72	745.64	1,159.44	429.21	329.81	12,651.76

Ageing has been calculated from the date of transaction where no due date of payment is specified.

8. Loans

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Unsecured, considered good				
Advance to employees	-	-	62.13	89.31
	-	-	62.13	89.31

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9. Other Financial Assets

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Security deposits				
- Unsecured, Considered good	731.71	610.52	1,373.10	1,198.95
- Doubtful	-	-	28.58	28.18
	731.71	610.52	1,401.68	1,227.13
Impairment Allowance (allowance for bad and doubtful balances)				
- Security deposits- credit impaired	-	-	(28.58)	(28.18)
	731.71	610.52	1,373.10	1,198.95
Margin money deposits*	158.60	2,217.11	2,078.53	532.13
Deposits with original maturity for more than 12 months	2,500.41	890.94	25,769.45	772.61
	2,659.01	3,108.05	27,847.98	1,304.74
Other receivables				
- Unsecured, Considered good	-	-	35.31	18.53
- Doubtful	-	-	31.44	31.44
	-	-	66.75	49.97
Impairment Allowance (allowance for bad and doubtful balances)				
- Other receivables- credit impaired	-	-	(31.44)	(31.44)
	-	-	35.31	18.53
Accrued Income				
Unbilled receivable (refer note 21) **	-	-	6,330.67	6,806.47
Interest accrued on deposits	-	-	1,297.09	87.50
Interest accrued on investments	-	-	9.52	73.63
	-	-	7,637.28	6,967.60
Amount recoverable from third party agent- Cash collected on our behalf	-	-	112.24	100.68
Money held in trust	-	-	1,541.13	1,857.20
Less: Liabilities against money held in trust	-	-	(1,535.72)	5.41
	-	-	117.65	100.68
	3,390.72	3,718.57	37,011.32	9,590.50

* Margin money deposits include deposits given to the bank against bank guarantees issued to National Stock Exchange for IPO and balance towards working capital facilities and other business purpose:

Particulars	March 31, 2023	March 31, 2022
Banks	2,237.13	2,749.24
	2,237.13	2,749.24

** Consists of contract assets, that primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to the receivables when the rights become unconditional.

10. Non-current tax assets (net)

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Advance income tax	2,156.74	1,550.91	-	-
	2,156.74	1,550.91	-	-



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11. Other assets

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Unsecured Considered good unless otherwise stated				
Capital advances				
- Unsecured, Considered good	312.11	182.46	-	-
- Doubtful	-	-	-	-
	312.11	182.46	-	-
Impairment Allowance (allowance for bad and doubtful balances)				
Capital advances - credit impaired	-	-	-	-
	312.11	182.46	-	-
Prepaid expenses	15.62	6.66	217.37	643.81
	15.62	6.66	217.37	643.81
Balance with statutory/government authorities	94.62	87.97	480.76	1,360.49
	94.62	87.97	480.76	1,360.49
Advance to suppliers				
- Unsecured, Considered good	-	-	715.35	800.73
- Doubtful	-	-	95.74	22.63
	-	-	811.09	823.36
Impairment Allowance (allowance for bad and doubtful balances)				
- Advance to suppliers - credit impaired	-	-	(95.74)	(22.63)
	-	-	715.35	800.73
	422.35	277.09	1,413.48	2,805.03

12. Cash and Cash equivalents

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Balances with banks:				
- On current accounts	-	-	2,304.52	1,289.21
- In deposit accounts (with original maturity of less than 3 months)	-	-	650.00	1,000.00
Cash in hand*	-	-	0.00	0.79
	-	-	2,954.52	2,290.00

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Balances with banks:				
- On current accounts	-	-	2,304.52	1,289.21
- In deposit accounts (with original maturity of less than 3 months)	-	-	650.00	1,000.00
Cash in hand*	-	-	0.00	0.79
Bank overdraft repayable on demand (secured)	-	-	-	(340.08)
	-	-	2,954.52	1,949.92

* Value less than 10,000.

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13. Other bank balances

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Balances with banks:				
- Deposits with original maturity of more than three months but less than 12 months	-	-	3,500.00	-
	-	-	3,500.00	-

14. Share capital

Particulars	March 31, 2023	March 31, 2022
Authorised Share Capital		
Equity Shares		
873,502,280 (March 31, 2022: 873,502,280) Equity Shares of ₹ 1 each (March 31, 2022: ₹ 1 each)	873.50	873.50
Instruments Entirely Equity in Nature		
300,000 (March 31, 2022: 300,000) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPs) of ₹10 each (Series A)	3.00	3.00
4,660,337 (March 31, 2022: 4,660,337) 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPs) of ₹ 100 each (Series B, C, D, D1, E, F, G, H and I)	466.03	466.03
	1,342.53	1,342.53
Issued, subscribed and fully paid-up shares		
Equity Shares		
728,715,149 (March 31, 2022: 642,106,100) Equity Shares of ₹ 1 each (March 31, 2022: ₹ 1 each)	728.72	642.11
	728.72	642.11

(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

Particulars	March 31, 2023		March 31, 2022	
	Number	₹ million	Number	₹ million
Equity shares				
At the beginning of the year	642,106,100	642.11	1,667,930	16.33
Issued during the year (including stock options exercised)	82,263,399	82.66	21,092,338	22.70
Converted during the year (refer note 14 and note 16)	-	-	425,120,603	426.16
Issued during the year (partly paid)*	-	-	-	0.35
Bonus shares issued during the year (refer note 15(a))	395,059	3.95	17,656,835	176.57
Equity shares arising on shares split from ₹ 10 to ₹ 1 per share**	3,950,591	-	176,568,394	-
Outstanding at the end of the year	728,715,149	728.72	642,106,100	642.11

* During the year ended March 31, 2022, the Company has called up and received money for 38,701 shares of ₹ 9 per share.

** On September 29, 2021, the Company has sub divided equity shares having a face value of ₹ 10 each into 10 equity shares having a face value of ₹ 1 each.



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Particulars	March 31, 2023		March 31, 2022	
	Number	₹ million	Number	₹ million
Instruments Entirely Equity in Nature - 0.001% Cumulative Compulsorily Convertible Preference Shares (CCCPS)				
Series B				
At the beginning of the year	-	-	217,562	21.77
Converted into equity share during the year	-	-	(217,562)	(21.77)
Outstanding at the end of the year	-	-	-	-
Series C				
At the beginning of the year	-	-	365,310	36.53
Converted into equity share during the year	-	-	(365,310)	(36.53)
Outstanding at the end of the year	-	-	-	-
Series D				
At the beginning of the year	-	-	653,551	65.36
Converted into equity share during the year	-	-	(653,551)	(65.36)
Outstanding at the end of the year	-	-	-	-
Series D1				
At the beginning of the year	-	-	44,479	4.45
Converted into equity share during the year	-	-	(44,479)	(4.45)
Outstanding at the end of the year	-	-	-	-
Series E				
At the beginning of the year	-	-	801,139	80.11
Converted into equity share during the year	-	-	(801,139)	(80.11)
Outstanding at the end of the year	-	-	-	-
Series F				
At the beginning of the year	-	-	1,457,694	145.77
Converted into equity share during the year	-	-	(1,457,694)	(145.77)
Outstanding at the end of the year	-	-	-	-
Series H				
Issued during the year	-	-	563,349	56.33
Converted into equity share during the year	-	-	(563,349)	(56.33)
Outstanding at the end of the year	-	-	-	-
Series I				
Issued during the year	-	-	146,961	14.70
Converted into equity share during the year	-	-	(146,961)	(14.70)
Outstanding at the end of the year	-	-	-	-

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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c) Terms/rights attached to Instruments entirely equity in nature

The Group had issued 132,779 and 158,888 Series A Cumulative Compulsorily Convertible Preference Shares ('CCCPS') of ₹ 10 each fully paid-up at a premium of ₹ 215.94 per share on April 30, 2012 and November 01, 2012 respectively, Series B - 448,719 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 680 per share on September 26, 2013, Series C - 478,434 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 2,164.20 per share on September 09, 2014, Series D - 653,551 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 7,650 per share on May 08, 2015, Series D1 - 48,531 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 9,959 per share on October 17, 2016, Series E - 640,911, 160,228 CCCPS of ₹ 100 each fully paid-up at a premium of ₹ 10,747 per share on March 22, 2017 and May 17, 2017 respectively, Series F 1,457,694 CCCPS of ₹ 100 each fully paid at a premium of ₹ 19,726 per share on March 07, 2019 and March 29, 2019, Series H 563,349 CCCPS of ₹ 100 fully paid up at a premium of ₹ 35,555 per share on May 31, 2021 and Series I 146,961 CCCPS of ₹ 100 fully paid up at a premium of ₹ 37,900 per share on September 02, 2021 respectively.

During the previous year, Board of Directors of the Company at its meeting dated January 13, 2022, have approved the conversion of 4,250,045 Cumulative Compulsorily Convertible Preference Shares (CCCPS) having a face value of ₹ 100 each into 425,004,500 Equity Shares having a face value of ₹ 1 each of the Company (in the ratio of 100:1 i.e. 100 equity shares of ₹ 1 each against one CCCPS of ₹ 100 each).

Voting Rights:

The Investor shall have right to vote pro-rata to their shareholding.

Liquidation:

The holders of each series of Investor securities (other than sale shares) shall be entitled to be paid and otherwise receive distributions out of the liquidation proceeds, on a *pari passu* basis and prior to any payment or other distribution to any holders of equity shares.

(d) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2023		March 31, 2022	
	No.	% holding in the class	No.	% holding in the class
Name of the shareholder				
Equity shares of ₹ 1 each fully paid				
SVF Doorbell (Cayman) Ltd.	106,098,269	14.56%	141,593,300	22.05%
Nexus Ventures III, Ltd.	57,406,800	7.88%	57,406,800	8.94%
CA Swift Investments*	18,404,607	2.53%	46,131,800	7.18%
Canada Pension Plan Investment Board (CPPIB)	43,881,500	6.02%	43,881,500	6.83%
SBI Mutual Fund	47,488,690	6.52%	-	-
Internet Fund III Pre Ltd*	12,055,573	1.65%	37,893,700	5.90%

*Although percentage of holding is less than 5% in current year reported above, the number of shares and percentage holding have been disclosed for comparison purpose.

As per records of the group, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(e) Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option (ESOP) plan of the Company, please refer note 38.

(f) During the year ended March 31, 2021, the Company had issued 38,701 equity shares of face value of ₹ 10 each to certain individuals at an issue price of ₹ 18,965 per Equity Share (including premium of ₹ 18,955 per Equity Share). In accordance with the terms of issue, ₹ 2,000 was received from the concerned allottees on application and shares were allotted. Further on September 24, 2021 company has received remaining issue money of ₹ 16,965 per share.

(g) Group is a professionally managed and does not have an identifiable promoter in terms of the Companies Act, 2013.



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15 (a) Other equity

Particulars	March 31, 2023	March 31, 2022
Securities premium		
Balance as per the last financial statements	113,734.56	74,306.86
Add: ESOPs exercised (transferred ₹ 848.47 million (March 31, 2022: ₹ 1,589.09 million) from share-based payment reserve)	919.63	1,864.23
Add: Securities premium on equity shares issued during the year	39,917.86	8,171.06
Add: Premium on conversion of preference share to equity share	-	4,138.45
Add: Securities premium on CCCPS issued during the year (series H and series I)	-	25,599.70
Less: Bonus share issued during the year*	(3.95)	(176.57)
Less: Share issues expenses	(972.21)	(169.17)
	153,595.89	113,734.56
Reimbursement from shareholders	272.29	-
	272.29	-
Share-based payment reserve		
Balance as per the last financial statements	3,560.10	1,958.24
Add: ESOP expenses on acquisition of subsidiary (refer note 35 (1) (b))	-	106.74
Add: Share-based payment expense	2,891.41	3,084.21
Less: Transferred to securities premium on exercise of stock options	(848.47)	(1,589.09)
	5,603.04	3,560.10
Retained earnings		
Balance as per last financial statements	(58,369.30)	(48,279.41)
Add: Loss during the year	(10,077.79)	(10,110.00)
Add: Re-measurement gains/ (losses) on defined benefit plans	(16.34)	20.11
Add: Share of other comprehensive income of associate (net)	0.06	-
Net deficit in the statement of profit and loss	(68,463.37)	(58,369.30)
Exchange differences on translating the financial statements of a foreign operation		
Balance at the beginning of the year	6.22	11.96
Exchange differences on translation of foreign operations	28.58	(5.74)
	34.80	6.22
Total reserves and surplus	91,042.65	58,931.58

* In the previous year, On September 27, 2021, the Company had issued bonus shares in the ratio of 9:1 to the existing equity shareholders. Further, appropriate adjustments, to the conversion ratio of outstanding Cumulative Compulsorily Convertible Preference Shares (CCCPS) was made and the conversion ratio accordingly stood 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. Further, stock options outstanding (vested, unvested including lapsed and forfeited options available for reissue) were to be proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on Record Date will also be appropriately adjusted.

Similarly, On September 29, 2021, the Company had 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) were made to reflect the impact of such sub-division. Therefore, stock options outstanding (vested, unvested including lapsed and forfeited options available for reissue) were to be proportionately adjusted and the number of options which are available for grant and those already granted but not exercised as on Record Date will also be appropriately adjusted.

Accordingly, during the year ended March 31, 2023 and March 31, 2022, the Company had issued bonus shares of ₹ 3.95 million (no. of bonus shares 395,059) and ₹ 176.57 million (no. of bonus shares 17,656,835) respectively.

(b) Nature and purpose of reserves

Retained earning

Retained earnings are the loss that the Company has incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company and eligible for distribution to shareholders, in case where it is having positive balance representing net earnings till date.

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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 statements of a foreign operation

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Share-based payment reserve

The share options based payment reserve is used to recognise the grant date fair value of options issued to employees under Employee stock option plan.

16. Borrowings

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Term Loan				
Vehicle loan from bank (Secured) (refer note (a) below)	1,144.07	735.25	-	-
Secured bank loan (refer note (b) below)	-	440.86	-	-
	1,144.07	1,176.11	-	-
Others				
Current maturity of long-term borrowings				
- Vehicle loan from bank (refer note (a) below)	-	-	844.67	443.46
- Secured bank loan (refer note (b) below)	-	-	-	711.81
Working capital demand loan	-	-	-	228.59
Bill discounting facility from the bank (secured) (refer note (c) below)	-	-	-	859.93
Bank overdraft repayable on demand (secured)	-	-	-	111.49
	-	-	844.67	2,355.28
	1,144.07	1,176.11	844.67	2,355.28

Notes:

(a) Vehicle Loans carries interest @6.50% to 8.75% (March 31, 2022: 6.51% to 9.55%) per annum and are repayable in 36 to 37 equated monthly installments of ₹ 0.004 million (March 31, 2022: ₹ 0.02 million) to ₹0.25 million (March 31, 2022: ₹0.25 million) along with interest. The loan is secured by hypothecation of respective vehicles.

(b) (i) **HDFC Bank: Secured bank loan of Spoton Logistics Private Limited (Spoton):**

Working Capital term loan amounts to Nil (March 31, 2022: ₹ 86.81 million) was sanctioned to Spoton, pursuant to the "Emergency Credit line Guaranteed Scheme" (ECLGS) of Government of India. The loan was to be repaid in 48 equal monthly instalment of ₹ 1.85 million each after moratorium period of 12 months from the date of disbursement. The repayment of loan begun from March 07, 2022. The interest rate of 7.5% p.a (1 year MCLR + 0.25% subject to maximum of 9.25% p.a) was payable on a monthly basis from the date of disbursement. This facility was 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.

In the previous year ended March 31,2022 the entire loan amount has been classified under current borrowings due to non-compliance of the bank covenants.

During the current year ended March 31,2023 the entire loan has been repaid.

The financial covenants relating to Adjusted total networth, Total liabilities/ Total net worth and Interest coverage ratio were not complied with for year ended on March 31, 2022. However in view of the ongoing relationship with the lending banks, the management believes that this non-compliance will not result in levy of penalty on the Company. Basis, the breach of covenant which has not been cured before the Financial Statements have been approved, the working capital term loan from HDFC bank has been classified as current borrowings.



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(ii) Axis Bank:

Loan has been availed from Axis Bank carrying interest rate @ One year MCLR+0.30% p.a. and One year MCLR+0.15% p.a. ranging 7% to 8% and was repayable in 48 equated monthly instalments (remaining instalment 23 as on March 31, 2022) of ₹ 20.83 million and ₹ 31.25 million plus interest thereon respectively. The loan was secured by a first charge over certain of the Company's movable property (not being pledge) and fixed deposits/ Cash deposits.

During the year ended March 31, 2023, Company has settled outstanding secured bank loan on January 05, 2023 and has obtained no dues certificate from the bank.

Secured bank loan of Spoton Logistics Private Limited (Spoton):

Term loan amounting to Nil (March 31, 2022: ₹ 26.72 million) disclosed under non-current borrowings and current maturity amounting to Nil (March 31, 2022: ₹ 9.96 million) disclosed under current borrowings. Pursuant to "Emergency Credit line Guaranteed Scheme" (ECLGS) of Government of India, the bank sanctioned working capital term loan to the Company. The loan was to be repaid in 48 equal monthly instalment of ₹ 0.83 million each after moratorium period of 12 months from the date of disbursement and the last instalment is ₹ 0.83 million. The repayment of loan has begun from December 31, 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 Property, plant and equipment of the Holding Company, both present and future.

During the current year ended March 31, 2023 the entire loan has been repaid.

- (c) Bill discounting facility has been availed from HDFC bank carrying floating rate of interest of 3 months MCLR plus 0.55% ranging from 7.55% to 7.82% on March 31, 2022. The facility is on the bills underlying raised with the respective principals. There was no payable amount against the facility availed as on March 31, 2023. Further Bill discounting facility has been availed from Axis bank carrying floating rate of interest of 3 months MCLR plus 0.40% ranging from 7.30% to 7.85% on March 31, 2022. The facility is on the bills underlying raised with the respective principals. The bill discounting is secured by lien on fixed deposits/cash deposit. There was no payable amount against the facility availed as on March 31, 2023.
- (d) During the year ended March 31, 2021, 46,441 (0.001% Series G) Compulsorily Convertible Preference Shares (CCPS), having a face value of ₹ 100 each have been issued during the year at an issue price of ₹ 22,615; called and paid up ₹ 10. The rights exercised by the holder shall be in accordance with applicable laws i.e. exercisable to the extent of amount paid up. The Board shall make calls upon the holders of the Series G CCPS in respect of monies unpaid on the Series G CCPS (whether on account of the nominal value of the shares or premium), as and when it deems fit. After the Series G CCPS are fully paid-up, it will convert into equity shares of the Company, based on the conversion ratio based on share price multiple of Series F price, upon occurrence of a liquidation event or listing of securities of the Company on a recognised stock exchange.

Each Series G CCPS holder shall have the right to vote on all matters considered at a general meeting of the shareholders of the Company

(i) which directly affect the rights attached to the Series G CCPS;

(ii) in connection with the winding up of the Company;

(iii) in connection with the repayment or reduction of the equity or preference share capital of the Company.

Based on terms of the agreement and its evaluation under Ind AS 32, the Series G CCPS were classified as financial instrument in the nature of financial liability designated to be measured at fair value through profit or loss at each reporting date until these Series G CCPS are converted into equity shares and accordingly these were classified as financial liability under borrowing.

During the year ended March 31, 2022, the Company has called up and received money for 46,441 shares of ₹ 90 per share. On September 24, 2021 Series G CCPS has been converted into equity shares in ratio 2.5:1 accordingly 46,441 CCPS were converted to 1,16,103 Equity Share of ₹ 10 each fully paid up. Prior to conversion, fair value loss has been recognised through financial statements of profit and loss and is disclosed as "Fair value loss on financial liabilities at fair value through profit and loss" of ₹ 2,997.39 million (refer note 36.2 (b)) for the year ended March 31, 2022.

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Unused line of credit:

The below table provides the details of un-drawn credit facilities that are available to the Group:

Particulars	March 31, 2023	March 31, 2022
Secured Loan	2,919.10	3,441.57
Bill discounting	750.00	390.07
	3,669.10	3,831.64

17. Other Financial Liabilities

Particulars	Current	
	March 31, 2023	March 31, 2022
Other Financial Liabilities Measured at Amortised Cost		
Interest accrued and not due on borrowings	7.68	4.00
Capital creditors	228.74	779.24
Employee welfare fund*	27.14	22.12
- Amount payable, collected on behalf of the customers	1,827.94	1,985.86
- Less: Liabilities against money held in trust	(1,535.72)	(1,857.20)
Employee benefit payable	192.38	374.86
Security deposit	229.21	189.60
	977.37	1,498.48

* The Employee Welfare Fund (EWF) is a fund to which both employee and employer contributes. The Employee Welfare Committee of the group handles the EWF that is used to provide benefits to employees.

18. Provisions

Particulars	Non-current		Current	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Provision for employee benefits				
- Provision for gratuity (refer note 32)	503.28	375.84	41.45	26.76
- Provision for compensated absences	-	-	233.29	180.42
	503.28	375.84	274.74	207.18
Other Provisions				
Provision for asset retirement obligation	7.77	6.71	-	-
	7.77	6.71	-	-
Total Provisions	511.05	382.55	274.74	207.18

Movement in above balances

Particulars	Asset retirement obligation
As at April 01, 2021	4.90
Arising during the year	1.81
Utilised	-
As at March 31, 2022	6.71
Arising during the year	1.06
Utilised	-
As at March 31, 2023	7.77



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19. Other current liabilities

Particulars	Current	
	March 31, 2023	March 31, 2022
Others		
- Advance from Customers	408.28	354.57
Statutory dues		
Withholding tax payable	331.29	412.00
Provident Fund payable	87.74	67.50
Employee's State Insurance Payable	8.70	7.09
Professional tax payable*	9.63	6.08
Labour Welfare Fund payable	12.93	0.14
Goods & Service tax payable	79.22	9.40
	937.79	856.78

*During the year ended March 31, 2023 and March 31, 2022, the Holding Company and few of its subsidiaries has deducted professional tax from employees. The companies was able to deposit the professional tax in most of the cases except where registration is pending due to non-functioning of government portals. The companies are in the process of obtaining registration and the professional tax collected will be deposited once the aforesaid issues are resolved.

20. Trade Payables

Particulars	Current	
	March 31, 2023	March 31, 2022
Trade payable		
Total outstanding dues of micro and small enterprises	31.24	44.74
Total outstanding dues of creditors other than micro and small enterprises	7,842.31	8,300.26
	7,873.55	8,345.00

Trade payables are non-interest bearing and are normally settled on 0-60 days terms.

For explanations on the Group's credit risk management processes, refer note 36.

For terms and conditions relating to related party payables, refer note 34.

Trade payable ageing schedule for year ended March 31, 2023

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
(i) MSME	-	16.58	14.66	-	-	-	31.24
(ii) Others	5,377.78	909.06	1,026.78	255.67	174.74	98.28	7,842.31
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	5,377.78	925.64	1,041.44	255.67	174.74	98.28	7,873.55

Trade payable ageing schedule for the year ended March 31, 2022

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
(i) MSME	-	20.47	24.27	-	-	-	44.74
(ii) Others	4,684.76	1,602.80	1,753.60	146.98	54.66	57.46	8,300.26
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-	-
Total	4,684.76	1,623.27	1,777.87	146.98	54.66	57.46	8,345.00

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21. Revenue from Contracts with Customers

Particulars	March 31, 2023	March 31, 2022
Sale of services		
Revenue from services	72,236.47	66,946.23
Sale of goods		
Revenue from sale of traded goods	16.54	1,876.63
	72,253.01	68,822.86
*includes		
Revenue from Express Parcel services	45,522.22	41,910.56
Revenue from Part Truck Load services	11,565.38	13,459.50
Revenue from Truck Load services	4,362.17	2,873.50
Revenue from Supply Chain services#	7,817.47	5,509.93
Revenue from Cross Border services	2,957.68	3,182.68
Others	11.55	10.06
	72,236.47	66,946.23

#Revenue from Supply Chain services includes Revenue from End-to-End services and Revenue from Warehousing services.

Timing of rendering of services

Particulars	March 31, 2023	March 31, 2022
Services rendered over time	72,236.47	66,946.23
Total Revenue from Contract with customers	72,236.47	66,946.23

Revenue from sale of traded goods

Particulars	March 31, 2023	March 31, 2022
Goods transferred at a point in time	16.54	1,876.63
Total Revenue from Contract with customers	16.54	1,876.63

Reconciling the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price:

Particulars	March 31, 2023	March 31, 2022
Revenue as per contracted price	73,111.32	69,706.60
Less: Credit note	(858.31)	(883.74)
	72,253.01	68,822.86

Contract Balances:

The following table provides information about receivables, contracts assets, and contract liabilities from contracts with customers.

Particulars	March 31, 2023	March 31, 2022
Trade Receivables (Unconditional right to consideration)	9,436.37	9,902.50
Contract assets (refer note 1 below)	6,330.67	6,806.47
Contract liabilities (refer note 2 below)	408.28	354.57

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.



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Contract assets

Particulars	March 31, 2023	March 31, 2022
Opening balance	6,806.47	3,668.22
Add: Contract asset created during the year	6,330.67	6,806.47
Less: Contract asset billed during the year	(6,806.47)	(3,668.22)
Closing balance	6,330.67	6,806.47

2. Contract liability relates to payments received in advance of performance against which amount has been received from customer but services are yet to be rendered on the reporting date. Contract liabilities are recognised once the services are provided, being performance obligation of the group.

Contract liabilities

Particulars	March 31, 2023	March 31, 2022
Opening balance	354.57	171.81
Add: Received during the year	299.19	341.25
Less: Other adjustments	(37.84)	-
Less: Revenue recognised	(142.91)	(69.03)
Less: Write-back	(64.73)	(89.46)
Closing balance	408.28	354.57

22. Other Income

Particulars	March 31, 2023	March 31, 2022
22.1 Finance income		
Interest Income on		
- Bank deposits at amortised cost	1,958.36	207.42
- Non-current investments	176.03	327.73
- Income tax refund	57.01	33.19
- Unwinding of discount on security deposits paid at amortised cost	91.41	139.88
- Others	3.17	1.50
Total Finance Income (A)	2,285.98	709.72
22.2 Other income		
Net gain on mutual funds:		
- Fair value gain on Investment at fair value through profit or loss	305.79	300.43
- Net gain on sale of current investments	119.30	174.59
Profit on disposals of property plant and equipment	20.52	0.08
Net gain on sale of non-current investments	-	22.50
Gain on modification / termination of lease contracts	212.28	210.27
Credit balance written back	71.60	89.46
Miscellaneous income	34.01	54.36
Total Other Income (B)	763.50	851.69
Grand Total (A+B)	3,049.48	1,561.41

23. Freight, Handling and Servicing Costs

Particulars	March 31, 2023	March 31, 2022
Line haul expenses	25,173.80	23,976.65
Contractual manpower expenses	8,930.90	7,510.83
Vehicle rental expenses	15,232.76	13,546.31
Rent	2,688.49	1,531.06
Security expenses	906.92	787.75
Power, fuel & water charges	1,684.62	1,231.31
Packing material	251.10	225.95
Stores and spares	191.93	284.45
Lost shipment expense (net)	1,634.28	707.49
	56,694.80	49,801.80

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24. Change in inventories of traded goods

Particulars	March 31, 2023	March 31, 2022
Inventory at the beginning of the year	28.75	-
Inventory written off (refer note 26)	(8.69)	-
Inventory lost during transit	(4.30)	-
Inventory at the end of the year	-	28.75
Decrease/(Increase) in inventory	15.76	(28.75)

25. Employee Benefits Expense

Particulars	March 31, 2023	March 31, 2022
Salaries, wages and bonus*	9,668.22	9,006.10
Contribution to provident and other funds**	585.81	411.58
Share-based payment expense (refer note 39)	2,891.41	3,084.21
Gratuity expense (refer note 32)	214.48	109.82
Staff welfare expenses	640.42	520.94
	14,000.34	13,132.65

** Defined contribution plan.

* Above includes ₹ 1,784.00 million towards one-time bonus paid to eligible employees of the Group during the year ended March 31, 2022.

26. Other Expense

Particulars	March 31, 2023	March 31, 2022
Allowances for recoverable from third party agent	2.90	6.97
Rates and Taxes	125.81	39.21
Business development expenses	210.10	116.82
Repairs & Maintenance		
- Building	178.30	169.42
- Computers	20.54	24.74
- Others	467.44	347.71
Allowances for doubtful debts	633.52	1,154.92
Bad debts written off	0.44	2.55
Payment gateway charges	40.72	65.62
Cash management service charges	279.99	386.60
Housekeeping expenses	458.80	343.64
Allowances for doubtful advances	90.79	26.60
Travelling and conveyance	777.67	635.72
Intangible assets written off *	-	38.38
Loss on disposal of property, plant and equipment (net)	-	4.13
Inventory written off	8.69	-
Communication cost	238.03	281.63
Software and technology expenses	1,621.08	1,419.80
Legal and professional fees	301.24	444.63
IPO expenses	164.77	-
Audit fees	23.12	13.70
Director's remuneration (refer note 34)	45.62	29.74
Printing and stationery	93.77	101.74
Assets written off	34.35	2.05
Insurance expense	84.65	60.89
Recruiting expenses	44.04	65.29
Foreign exchange loss (net)	6.66	24.66
Miscellaneous expenses	105.15	82.07
	6,058.19	5,889.23

*During the year ended March 31, 2022, the Group has written off the software i.e. "Espoton Next Gen", which was being developed with the support of vendor Capgemini on which the total expense incurred amounting to ₹ 38.38 million. The modules being developed in eSpoton NxG project are already available with Delhivery system and with the ongoing system integration of the two systems, the updates will be redundant.



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27. Depreciation and amortisation expense

Particulars	March 31, 2023	March 31, 2022
Depreciation of property, plant and equipment (refer note 3)	3,809.88	2,433.12
Depreciation of right-of-use assets (refer note 33)	2,198.13	2,337.20
Amortisation of intangible assets (refer note 4)	2,303.43	1,337.15
	8,311.44	6,107.47

28. Finance Cost

Particulars	March 31, 2023	March 31, 2022
Interest at amortised cost		
- to banks	189.60	173.07
- bill discounting	19.71	67.21
- on lease liabilities (refer note 33)	673.37	742.60
- to others	0.47	1.46
Others		
- Bank charges	5.15	10.95
	888.30	995.29

29. Earnings per share (EPS)

Basic/Diluted EPS amounts are calculated by dividing the loss for the year attributable to equity holders of the group by the weighted average number of shares outstanding during the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	March 31, 2023	March 31, 2022
Loss attributable to equity holders of the parent	(10,077.79)	(10,110.00)
Weighted average number of equity at the year end in calculating basic EPS	715.16	595.35
Weighted average number of equity at the year end in calculating diluted EPS	715.16	595.35
Basic Loss Equity per share	(14.09)	(16.98)
Diluted Loss Equity per share	(14.09)	(16.98)

There are potential equity shares as on March 31, 2023 and March 31, 2022 in the form of stock options issued. As these are antidilutive, they are ignored in the calculation of diluted loss per share and accordingly the diluted loss per share is the same as basic loss per share.

The weighted average number of shares takes into account the weighted average effect of changes Compulsorily Convertible Preference Shares during the year.

On September 27, 2021, the Company issued bonus shares in the ratio of 9:1 to the existing equity shareholders. Further, appropriate adjustments, to the conversion ratio of outstanding Compulsorily Convertible Preference Shares (CCCPS) has been made and the conversion ratio accordingly stands adjusted to 10:1 i.e. 10 Equity Shares of ₹ 10/- each for every 1 CCCPS of ₹ 100/- each held by such CCCPS holder, pursuant to such bonus issuance.

On September 29, 2021, the Company has sub divided equity shares having a face value of ₹ 10 each into 10 equity shares having a face value of ₹ 1 each. Further, appropriate adjustments, to the conversion ratio of outstanding Compulsorily Convertible Preference Shares (CCCPS) has been made to reflect the impact of such sub-division.

The Board of Directors of the Company at its meeting dated January 13, 2022, have approved the conversion of 42,50,045 Compulsorily Convertible Preference Shares (CCCPS) having a face value of ₹ 100 each into 42,50,04,500 Equity Shares having a face value of ₹ 1 each of the Company (in the ratio of 100:1 i.e. 100 equity shares of ₹ 1 each against one CCCPS of ₹ 100 each).

The impact of the above has been considered in the calculation of Basic and Diluted Loss per share.

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30. Income taxes

The major components of income tax expense for the year ended March 31, 2023 and March 31, 2022:

Benefit liability	March 31, 2023	March 31, 2022
Current income tax:		
In respect of current year	94.56	100.72
In respect to for earlier years	12.82	-
Deferred tax:		
In respect of current year	(560.19)	(284.02)
Tax expense recognised in Consolidated Financials Statement of profit and loss	(452.81)	(183.30)
Income tax recognised in other comprehensive income		
Deferred tax arising on expense or income recognised in OCI	2.81	(3.02)
Total	(450.00)	(186.32)

Deferred tax assets/(liabilities) recognised as at March 31, 2023

Particular	April 01, 2022	Acquired through business combination	Recognised in consolidated statement of profit and loss credit/(charge)	Recognised in other comprehensive income credit/(charge)	March 31, 2023
Deferred tax assets					
Provision for employee benefits	37.63	-	(6.09)	2.81	34.35
Provision for doubtful debts	35.46	-	109.76	-	145.22
Property, plant and equipment	34.04	-	41.12	-	75.16
Borrowings*	(0.00)	-	-	-	(0.00)
Leases liabilities	14.94	-	(15.47)	-	(0.53)
Security deposits	3.28	-	(2.03)	-	1.25
Deferred tax liabilities					
Goodwill	(89.95)	-	63.53	-	(26.42)
Deferred tax assets (net)	35.40	-	190.82	2.81	229.03
Deferred tax liabilities					
Goodwill	-	(17.37)	-	-	(17.37)
Intangible assets	(664.53)	-	369.33	-	(295.20)
Deferred tax liabilities (net)	(664.53)	(17.37)	369.33	-	(312.57)

* value less than 10,000

Deferred tax assets/(liabilities) recognised as at March 31, 2022

Particular	April 01, 2021	Acquired through business combination	Recognised in consolidated statement of profit and loss credit/(charge)	Recognised in other comprehensive income credit / (charge)	March 31, 2022
Deferred tax assets					
Provision for employee benefits	-	29.01	11.64	(3.02)	37.63
Provision for doubtful debts	-	31.39	4.07	-	35.46
Property, plant and equipment	-	22.83	11.22	-	34.04
Borrowings*	-	(0.00)	(0.00)	-	(0.00)
Leases liabilities	-	36.74	(21.80)	-	14.94
Share-based payment expenses	-	20.12	(20.12)	-	-
Security deposits	-	(8.00)	8.00	-	-
Effect of provision for doubtful advances	-	-	3.28	-	3.28
Deferred tax liabilities					
Goodwill	-	(128.30)	38.35	-	(89.95)
Intangible assets	-	(913.91)	249.38	-	(664.53)
Deferred tax liabilities (net)	-	(910.11)	284.02	(3.02)	(629.13)

* Value Less than ₹ 10,000.



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As at March 31, 2023 and March 31, 2022, the Group is having net deferred tax assets primarily comprising of unabsorbed depreciation and carry forward losses under tax laws. However in the absence of reasonable certainty as to its realisation of Deferred Tax Assets (DTA), DTA has not been created.

Particulars	March 31, 2023	March 31, 2022
Deferred Tax Liability		
Impact on business combination	4,249.66	4,305.30
Deferred Tax Assets		
Deductible temporary differences	3,240.83	2,336.51
Brought forward losses	3,257.18	2,052.01
Unabsorbed depreciation	2,176.16	1,399.15
Recognised in books	Nil	Nil

Maturity period of brought forward losses for which no deferred tax are recognised in the Consolidated Financial Statements:

Year of expiry	March 31, 2023	March 31, 2022
	Brought forward losses (including capital loss)	Brought forward losses (including capital loss)
Within one - three years	2,063.99	-
Within three - five years	2,118.29	3,364.49
Above five years	6,763.94	3,608.16

Maturity period of unabsorbed depreciation for which no deferred tax are recognised in the Consolidated Financial Statements:

Year of expiry	March 31, 2023	March 31, 2022
	Unabsorbed depreciation	Unabsorbed depreciation
No expiry period	6,975.46	4,484.44

Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

Particulars	March 31, 2023	March 31, 2022
Accounting profit before income tax	(10,530.60)	(10,293.30)
At India's statutory income tax rate of 31.20% (March 31, 2022: 31.20%)	(3,285.55)	(3,211.51)
Share of results of associates	(42.35)	10.07
Other non-deductible items	150.66	1,627.34
Losses on which deferred taxes not recognised	1,163.21	319.68
Unabsorbed depreciation on which deferred taxes not recognised	764.78	498.75
Other temporary differences on which deferred taxes utilised	-	-
Other temporary differences on which deferred taxes not recognised	725.54	584.78
Difference in rates capital gains	(13.83)	(18.75)
Difference in tax rates of group company	71.91	6.34
Current Tax In respect to for earlier years	12.82	-
Income tax expense reported in the consolidated statement of profit and loss	(452.81)	(183.30)

31. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

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Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Share-based payments

Employees of the Group receives remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments (equity-settled transactions). In accordance with the Ind AS 102 Share-Based Payments, the cost of equity-settled transactions is measured using the fair value method. The cumulative expense 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 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.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality table. The mortality table tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 32.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Useful Life of property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the 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 income statement when the asset is derecognised.



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Impairment of goodwill

The Group estimates the value-in-use of the cash generating unit (CGU) based on the future cash flows after considering current economic conditions and trends, estimated future operating results and growth rate and anticipated future economic and regulatory conditions. The estimated cash flows are developed using internal forecasts. The discount rate used for the CGU's represent the weighted average cost of capital based on the historical market returns of comparable companies.

Loss allowance on trade receivables:

Provision for expected credit losses of trade receivables and contract assets. The Group uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e. by geography, product type, customer type and rating, and coverage by letters of credit and other forms of credit insurance). The provision matrix is initially based on the 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.

Business combinations

During the year ended March 31, 2023 and March 31, 2022, the Group had made an acquisition (refer note 35 (1)). The assets acquired were recognised at fair value at the date of acquisition. Goodwill was recognised as the remaining portion of the purchase price that was not allocated to the acquired assets as part of the purchase price allocation. To determine the fair values of individual assets acquired including property, plant and equipment, non-compete and customer relationships, complex valuation models based on assumptions were used. This measurement was dependent on estimates of future cash flows as well as the cost of capital applied.

Assets Acquisitions

During the year ended March 31, 2023 and March 31, 2022, the Group had made an asset acquisition (refer note 35 (2)). The assets acquired were recognised at fair value at the date of acquisition. To determine the fair values of individual assets acquired including property, plant and equipment, non-compete and customer relationships, complex valuation models based on assumptions were used. This measurement was dependent on estimates of future cash flows as well as the cost of capital applied.

Revenue Recognition (Ind AS 115)

The allocation of the transaction price over timing of satisfaction of performance obligation:

Under the revenue recognition standard Ind AS 115 revenue has been recognised when control over the services transfers to the customer i.e. when the customer has the ability to control the use of the transferred services provided and generally derive their remaining benefits. The revenue from logistics service is recognised over a period of time.

The Group has recognised the revenue in respect of undelivered shipments to the extent of completed activities undertaken with respect to delivery. At period end, the Group, based on its tracking systems classifies the ongoing shipments in transit into stages of delivery (first mile, linehaul, last mile) and applies estimated percentage of service completion to recognise revenue which is calculated on the basis of number of days the shipment has been in transit from the pickup date till reporting date as a percentage of average days taken to deliver these shipments from the pickup date.

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Leases

The lease payments shall include fixed payments, variable lease payments, residual value guarantees and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

32. 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 summarise the components of net benefit expense recognised in the consolidated statement of profit and loss and amounts recognised in the consolidated statement of assets and liabilities for the Gratuity:-

Benefit liability	March 31, 2023	March 31, 2022
Opening defined benefit obligation	402.60	225.15
Past service cost	59.17	-
Acquisition through assets purchase agreement	-	29.35
Acquisition through business combination	1.54	87.81
Interest cost	30.28	21.46
Current service cost	125.03	88.36
Benefits paid	(93.04)	(26.39)
Actuarial (gain)/loss on obligation	19.15	(23.13)
Closing defined benefit obligation	544.73	402.60

Expense recognised in the Consolidated Statement of Profit and Loss

Gratuity cost for the year	March 31, 2023	March 31, 2022
Current service cost	125.03	88.36
Past service cost	59.17	-
Interest cost	30.28	21.46
Net gratuity cost	214.48	109.82

Remeasurement gains/(losses) in other comprehensive income	March 31, 2023	March 31, 2022
Actuarial gain/(loss) due to demographic assumption changes in DBO	(0.36)	0.65
Actuarial changes arising from changes in financial assumptions	(1.10)	19.35
Experience adjustments	(17.69)	3.13
Amount recognised in OCI during the year	(19.15)	23.13



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Actuarial assumptions

Particulars	March 31, 2023	March 31, 2022
Discount rate	7.08% to 7.52%	6.31% to 7.26%
Salary Growth Rate	7.00%	7% to 8%
Mortality	IALM (2012-14) ultimate	IALM (2012-14) ultimate
Up to 30 years	15.00%	15.00%
Between 31 and 44 years	7.00%	7.00%
Above 44 years	2.00%	2.00%
Normal retirement age	60 years	60 years

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered taking into account the inflation, seniority, promotion and other relevant factors.

Attrition rate: The estimate of future employee turnover.

A quantitative sensitivity analysis for significant assumption as at March 31, 2023 and March 31, 2022 is as shown below:

Particulars	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Sensitivity level	Discount rate increase by 0.5%		Discount rate decrease by 0.5%	
Impact on defined benefit obligation	(28.62)	(22.77)	31.56	25.41
Sensitivity level	Future salary increase by 0.5%		Future salary decrease by 0.5%	
Impact on defined benefit obligation	28.98	23.13	(26.88)	(21.29)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 11.48 years (March 31, 2022: 11.39 years).

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	March 31, 2023	March 31, 2022
Within the next 12 months (next annual reporting period)	37.05	22.92
Between 2 and 5 years	78.88	102.49
More than 5 years	637.57	556.69
Total expected payments	753.51	682.10

33. Leases

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	Amount
As at April 01, 2021	7,828.04
Acquisition of subsidiary	818.60
Additions	1,918.28
Deletions	(1,287.18)
Depreciation expense (refer note 27)	(2,337.20)
As at March 31, 2022	6,940.54
As at April 01, 2022	6,940.54
Acquisition of subsidiary	2.76
Additions	2,810.54
Deletions	(888.26)
Depreciation expense (refer note 27)	(2,198.13)
As at March 31, 2023	6,667.45

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Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Amount
As at April 01, 2021	8,155.60
Acquisition of subsidiary	920.21
Additions	1,844.62
Accretion of interest (refer note 28)	742.60
Payments	(2,681.64)
Deletion	(1,497.59)
As at March 31, 2022	7,483.80
Acquisition of subsidiary	2.64
Additions	2,765.25
Accretion of interest (refer note 28)	673.37
Payments	(2,578.76)
Deletion	(1,100.61)
As at March 31, 2023	7,245.69

Particulars	March 31, 2023	March 31, 2022
Current	1,902.69	1,756.28
Non-current	5,343.00	5,727.52

The following are the amounts recognised in Consolidated Statement of Profit or Loss:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation expense of right-of-use assets (refer note 27)	2,198.13	2,337.20
Interest expense on lease liabilities (refer note 28)	673.37	742.60
Expense relating to short-term leases (refer note 23)	2,688.49	1,531.06
Gain on modification/termination of lease contracts (refer note 22.2)	(212.28)	(210.27)
Total amount recognised in Consolidated Statement of Profit or Loss	5,347.71	4,400.59

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised and has assessed that the Group is reasonably certain to exercise the extension options, while not exercising the termination option. Accordingly, there are no undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The effective interest rate for lease liabilities based on the duration of leases is -
0 - 36 months - 7.85% p.a. (March 31, 2022: 7.50% p.a.)
37 - 72 months - 8.15% p.a. (March 31, 2022: 8.00% p.a.)
73 months & Above - 8.75% p.a. (March 31, 2022: 8.25% p.a.)"

Rental expense recorded for short-term leases was ₹ 2,688.49 million in the year ended March 31, 2023 (March 31, 2022: ₹ 1,531.06 million).

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the Consolidated Statement of Profit and Loss.

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	2,427.96	2,335.83
One to four years	4,641.65	4,884.04
More than four years	1,718.51	2,140.65
Closing balance	8,788.12	9,360.52



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34. Related party transactions

Names of related parties and related party relationship:

Related parties under Ind AS 24:

Entities with significant influence over the Group	SVF Doorbell (Cayman Limited)
Subsidiaries	Delhivery Freight Services Pvt. Ltd. Orion Supply Chain Private Limited Delhivery HK Pte. Ltd. Delhivery USA LLC Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited) Delhivery Corp Limited, London, United Kingdom Delhivery Singapore Pte. Ltd (w.e.f. August 02, 2021) Spoton Logistics Private Limited (w.e.f. August 24, 2021) Algorithym Tech Private Limited (w.e.f. January 13, 2023)
Step Down Subsidiaries	Delhivery Robotics LLC (w.e.f. August 23, 2021) Spoton Supply Chain Solutions Private Limited (formerly known as RAAG Technologies and Services Private Limited) (w.e.f. August 24, 2021) Delhivery Logistics (Shenzhen) Company Limited (w.e.f. December 14, 2022) Delhivery Bangladesh Logistics Pvt. Ltd. (w.e.f. January 23, 2023)
Associate	Leucon Technology Private Limited (till November 19, 2021) FALCON AUTOTECH Private Limited (w.e.f. January 04, 2022)
Key Management Personnel ("KMP")	Mr. Sahil Barua Director and Chief Executive Officer (Redesignated as Managing Director and Chief Executive Officer w.e.f. October 13, 2021) Mr. Amit Agarwal Chief Financial Officer Mr. Ajith Pai Mangalore Chief Operating Officer Mr. Sandeep Kumar Barasia Whole-Time Director and Chief Business Officer (Redesignated as Executive Director on October 13, 2021) Mr. Kapil Bharti Whole-Time Director and Chief Technology Officer (Redesignated as Executive Director on October 13, 2021) Mrs. Pooja Gupta Chief People Officer (w.e.f. April 01, 2021) Mr. Suraj Saharan Head - Orion (till August 01, 2021) and Head - New Ventures (w.e.f. August 02, 2021) Mr. Abhik Kumar Mitra Chief Customer Experience Officer (Delhivery Limited) and Managing Director and Chief Executive Officer of Material Subsidiary (till April 24, 2023) Ms. Kriti Gupta Company Secretary (till June 18, 2021) Mr. Vivek Kumar Company Secretary (w.e.f. June 19, 2021 till September 17, 2021) Mr. Sunil Kumar Bansal Company Secretary and Compliance Officer (w.e.f. September 17, 2021) Mr. Suvir Suren Sujan Non-Executive Director (w.e.f. May 24, 2022) and Nominee Director (till May 23, 2022) Mr. Gautam Sinha Nominee Director (till October 22, 2021) Mr. Srivatsan Ranjan Non-Executive Director (Redesignated as Non-Executive - Independent Director w.e.f. October 01, 2021) Mr. Neeraj Bhardwaj Nominee Director (till October 13, 2021) Mr. Deep Verma Nominee Director (till October 13, 2021) Mr. Deepak Kapoor Non-Executive Director (Redesignated as Chairman and Non-Executive - Independent Director w.e.f. October 01, 2021) Ms. Hanne Birgitte Breinbjerg Sorensen Non-Executive Director (resigned w.e.f. October 01, 2021) Ms. Anjali Bansal Non-Executive Director (resigned w.e.f. September 16, 2021) Mr. Munish Ravinder Varma Nominee Director (resigned w.e.f. June 29, 2022) Mr. Sumer Juneja Nominee Director (resigned w.e.f. October 22, 2021) Mr. Agus Tandiono Nominee Director (resigned w.e.f. April 08, 2022) Mr. Jiang Bo Nominee Director (resigned w.e.f. October 13, 2021) Mr. Romesh Sobti Non-Executive - Independent Director (w.e.f. October 01, 2021) Mr. Saugata Gupta Non-Executive - Independent Director (w.e.f. October 01, 2021) Ms. Kalpana Jaisingh Morparia Non-Executive - Independent Director (w.e.f. October 13, 2021 till February 11, 2023) Mr. Donald Francis Colleran Non-Executive - Nominee Director (w.e.f. December 24, 2021 till May 23, 2022) (redesignated as Non-Executive Director w.e.f. May 24, 2022) Ms. Aruna Sundararajan Non-Executive - Independent Director (w.e.f. July 08, 2022)

Summary of transactions with the above related parties is as follows: A. Transactions during the year:

Nature of Transactions	Key management personnel		Subsidiaries		Associate		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Investment in Associate - Equity Accounting								
- FALCON AUTOTECH Private Limited	-	-	-	-	2,518.94	-	-	2,518.94
Capital Expenditure								
- FALCON AUTOTECH Private Limited	-	-	-	-	637.14	-	637.14	-
Services provided								
- Leucon Technology Private Limited	-	-	-	-	9.18	-	-	9.18
Services received								
- Leucon Technology Private Limited	-	-	-	-	3.27	-	-	3.27
- FALCON AUTOTECH Private Limited	-	-	-	-	16.77	-	-	16.77
Remuneration to Key Managerial Personnel*								
Short-term employees benefits								
Mr. Sahil Barua	740.64	388.19	-	-	-	-	740.64	388.19
Mr. Suraj Saharan	94.02	89.58	-	-	-	-	94.02	89.58
Ms. Pooja Gupta	98.81	113.37	-	-	-	-	98.81	113.37
Mr. Kapil Bharti	304.63	519.21	-	-	-	-	304.63	519.21
Mr. Ajith Pai Mangalore	124.89	400.01	-	-	-	-	124.89	400.01
Mr. Amit Agarwal	139.58	374.41	-	-	-	-	139.58	374.41
Mr. Sandeep Kumar Barasia	174.35	418.50	-	-	-	-	174.35	418.50
Ms. Kriti Gupta	-	0.14	-	-	-	-	-	0.14
Mr. Vivek Kumar	-	0.95	-	-	-	-	-	0.95
Mr. Sunil Kumar Bansal	12.08	6.63	-	-	-	-	12.08	6.63
Mr. Abhik Mitra	90.47	52.33	-	-	-	-	90.47	52.33
Loan Repaid								
Mr. Sandeep Kumar Barasia	10.57	25.70	-	-	-	-	10.57	25.70
Mr. Ajith Pai Mangalore	-	23.50	-	-	-	-	-	23.50
Mr. Kapil Bharti	-	23.50	-	-	-	-	-	23.50
Mr. Sahil Barua	-	23.50	-	-	-	-	-	23.50
Mr. Amit Agarwal	-	23.50	-	-	-	-	-	23.50
Sale of Property Plant and Equipment								
Mr. Sandeep Kumar Barasia	3.48	-	-	-	-	-	3.48	-
Fees to Non-Executive Directors								
Ms. Anjali Bansal	-	3.02	-	-	-	-	-	3.02
Mr. Deepak Kapoor	8.70	7.00	-	-	-	-	8.70	7.00
Ms. Hanne Birgitte Breinbjerg Sorensen	-	3.68	-	-	-	-	-	3.68
Mr. Romesh Sobti	8.10	3.25	-	-	-	-	8.10	3.25
Mr. Saugata Gupta	8.00	3.25	-	-	-	-	8.00	3.25
Mr. Kalpana Jaisingh Morparia	6.91	3.04	-	-	-	-	6.91	3.04
Mr. Aruna Sundararajan	5.21	-	-	-	-	-	5.21	-
Mr. Srivatsan Ranjan	8.70	6.50	-	-	-	-	8.70	6.50



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Summary of balances with the above related parties is as follows:

B. Balances as the year end:

Nature of balances	Key management personnel		Subsidiaries		Associate		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Outstanding balance receivable/(payable)								
Leucon Technology Private Limited (Payables)	-	-	-	-	(4.43)	-	-	(4.43)
FALCON AUTOTECH Private Limited (Advance to supplier)	-	-	-	-	256.56	94.52	256.56	94.52
Balance outstanding at year end								
Salary Payable*								
Mr. Sahil Barua	-	2.13	-	-	-	-	-	2.13
Mr. Suraj Saharan	-	2.14	-	-	-	-	-	2.14
Ms. Pooja Gupta	-	1.50	-	-	-	-	-	1.50
Mr. Abhik Mitra	35.79	0.85	-	-	-	-	35.79	0.85
Mr. Kapil Bharati	-	1.86	-	-	-	-	-	1.86
Mr. Ajith Pai Mangalore	-	3.50	-	-	-	-	-	3.50
Mr. Amit Agarwal	-	2.16	-	-	-	-	-	2.16
Mr. Sandeep Kumar Barasia	-	2.66	-	-	-	-	-	2.66
Mr. Sumil Kumar Bansal	-	0.27	-	-	-	-	-	0.27
Loans and advances to related parties								
Mr. Sandeep Kumar Barasia	14.23	24.80	-	-	-	-	14.23	24.80
Fees payable to Non-Executive Directors								
Mr. Deepak Kapoor	1.69	1.88	-	-	-	-	1.69	1.88
Mr. Ramesh Sobti	1.46	1.63	-	-	-	-	1.46	1.63
Mr. Saugata Gupta	1.46	1.63	-	-	-	-	1.46	1.63
Ms. Kalpana Morparia	0.66	1.63	-	-	-	-	0.66	1.63
Ms. Aruna Sundararajan	1.13	-	-	-	-	-	1.13	-
Mr. Srivatsan Ranjan	1.04	1.63	-	-	-	-	1.04	1.63

* Remuneration to the key managerial personnel does not include the provisions made for gratuity and leave encashment, as they are determined on an actuarial basis for the Company as a whole.

Terms and conditions of transactions with related parties:

The services provided and received from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free (except for inter corporate loan receivable) and settlement generally occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

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35.1 Business combinations

- a) During the year ended March 31, 2023, the Company acquired 100% investment in Algorhythm Tech Private Limited ("Algorhythm") (Company engaged in intelligent, connected planning & optimisation solutions for Supply Chain) for a consideration of ₹ 81.36 million vide share purchase agreement dated December 19, 2022. Post the completion of acquisition Algorhythm Tech Private Limited has become 100% subsidiary of Delhivery limited w.e.f. January 13, 2023.

Assets acquired

The fair values of the identifiable assets of Algorhythm Tech Private Limited as at the date of acquisition January 13, 2022 were:

Particulars	Balance recognised on acquisition
Assets	
Property, plant and equipment	0.10
Customer relationships	5.13
Software	50.54
Intangible assets	0.15
Right of use assets	2.76
Other financial assets	0.45
Trade receivables	9.64
Cash and cash equivalents	0.05
Other bank balances	10.50
Other current assets	4.09
Total Assets	83.41
Lease liabilities	2.64
Borrowings	25.01
Trade payables	0.98
Other financial liabilities	22.95
Other current liabilities	6.04
Provisions	1.54
Deferred tax liabilities on intangible assets	17.37
Total Liabilities	76.53
Identifiable net asset at fair value	6.88
Goodwill arising on acquisition	74.48
Purchase consideration	81.36

The goodwill of ₹ 74.48 million 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 ₹ 30.56 million and the losses before tax from continuing operations for the Group from "Algorhythm" would have been higher by ₹ 12.39 million.

From the date of acquisition, "Algorhythm" has contributed ₹ 2.40 million of revenue* and ₹ 16.07 million of loss* to the loss before tax from the operations of the Group.

* Before inter-company elimination.

Analysis of cash flows on acquisition:	Amount
Payment towards acquisition of business (included in cash flow from investing activities)	81.36
Net cash used in acquisition	81.36

All other disclosures as required under IND AS 103 are as follows:

- There were no contingent consideration arrangements entered into with the acquiree.
- No contingent liabilities have been recognised.
- There are no such transactions that are recognised separately from the acquisition of assets and assumption of liabilities in the business combination except as disclosed refer note 35 (2) (a).
- The above business combination is not a bargain-purchase.
- The above business combination is not achieved in stages.
- Goodwill is not tax deductible.



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b) Acquisition of Spoton logistics Private limited ("Spton")

During the previous year ended March 31, 2022 the Company acquired 100% investment in Spoton Logistics Private limited (Company engaged in the domestic road business and Air business) for a consideration of ₹ 15,216.02 million vide share purchase agreement dated July 29, 2021. Post the completion of acquisition Spoton Logistics Private Limited has become 100% subsidiary of Delhivery Limited w.e.f. August 24, 2021.

Assets acquired

The fair values of the identifiable assets of Spoton as at the date of acquisition August 23, 2021 were:

Particulars	Balance recognised on acquisition
Assets	
Technology/software	300.67
Customer relationships	1,367.90
Vendor relationships	309.50
Right of use assets	818.60
Goodwill	688.73
Brand	1,014.50
Property, plant and equipment	191.59
Intangible assets under development	15.81
Other financial assets	790.02
Other assets	103.33
Tax assets (net)	285.06
Cash and cash equivalents*	1,236.04
Other Bank balance	6.51
Trade receivables	1,796.15
Deferred Tax	3.78
Total Assets	8,928.19
Liabilities	
Borrowing	3,339.54
Lease liabilities	920.21
Provisions	103.27
Trade payables	1,189.29
Other liabilities	322.26
Deferred tax liabilities on intangible assets	913.91
Total Liabilities	6,788.48
Identifiable net asset at fair value	2,139.71
Goodwill arising on acquisition	13,076.31
Purchase consideration	15,216.02

* Includes amount of ₹ 8.15 million on conversion of ESOPs to equity shares held by existing employees of Spoton Logistics Private Limited post acquisition date and which were subsequently acquired by Delhivery Limited (formerly known as Delhivery Private Limited).

The goodwill of ₹ 13,076.31 million comprises the value of expected synergies arising from the acquisition.

If the acquisition had taken place at the beginning of the year, revenue from continuing operations would have been higher by ₹ 3,601.18 million and the losses before tax from continuing operations for the Group from "Spton" would have been higher by ₹ 291.95 million.

From the date of acquisition, "Spton" has contributed ₹ 6,940.13 million of revenue* and ₹ 126.37 million of profit* to the loss before tax from the operations of the Group.

* Before inter-company elimination.

Purchase consideration	Amount
Cash consideration paid	15,109.28
Portion of market based measure of Spoton share-based payments scheme attributable to pre-combination service *	106.74
Total Purchase consideration	15,216.02

* The Company acquired Spoton Group for consideration of ₹ 15,216.02 million on August 24, 2021. The consideration includes ₹ 15,109.28 million paid in cash and ₹ 106.74 million discharged through replacement of ESOP awards to select ESOP holders of Spoton Group as part of the obligations undertaken by Delhivery as per the contractual arrangement entered between the parties upon the acquisition.

Analysis of cash flows on acquisition:	Amount
Payment towards acquisition of business (included in cash flow from investing activities)	15,109.28
Net cash used in acquisition	15,109.28

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All other disclosures as required under Ind AS 103 are as follows:

- There were no contingent consideration arrangements entered into with the acquiree,
- No contingent liabilities have been recognised,
- There are no such transactions that are recognised separately from the acquisition of assets and assumption of liabilities in the business combination.
- The above business combination is not a bargain-purchase
- The above business combination is not achieved in stages.
- Goodwill is not tax deductible

c) Scheme of Arrangement ("the Scheme") between Vankatesh Pharma Private Limited and Spoton Logistics Private Limited and their respective shareholders under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 ("the Act") and the rules made thereunder.

Spton Logistics Private Limited has amalgamated with Venkatesh Pharma Private Limited under the scheme of arrangement approved by National Company Law Tribunal (NCLT) on November 27, 2019 under the provisions of the Companies Act, 2013. Accordingly, the Scheme was accounted for in accordance with erstwhile applicable Accounting Standard 14 "Accounting for Amalgamations".

Goodwill arising from Business combination has been amortised over a period of five year in accordance with method as prescribed under NCLT scheme, which overrides the relevant requirement of Ind AS 103 'Business Combinations' and Ind AS 36 'Impairment of assets' (according to which acquired Goodwill is not permitted to be amortised and is required to be tested annually for impairment).

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 amortisation charge for the year ended March 31, 2023 is ₹ 252.81 million (March 31, 2022: ₹ 152.38 million).

35 (2) Assets Acquisition

a) Acquisition during the year ended March 31, 2023

On December 19, 2022, the Holding Company has entered into assets purchase agreement with the promoters of Algorhythm Tech Private Limited and has paid non-compete fees amounting to ₹ 67.70 million. The same has been accounted as other intangible assets.

b) Acquisition during the year ended March 31, 2022

As on July 15, 2021, the Holding Company has entered into assets purchase agreement with FedEx Express Transportation and Supply Chain Services (India) Private Limited and Tnt India Private Limited, via tri-party agreement. Approval from Completion Commission of India (CCI) has been received as on November 23, 2021 and consideration of ₹ 1,864.27 million has been transferred to FedEx as on December 04, 2021.

Assets acquired

The fair values of the identifiable assets and liabilities of ('FedEx') as at the date of assets acquisition November 23, 2021 were:

Particulars	Amount
Computers/Servers	28.19
Office Equipment	104.30
Furniture and Fixtures	9.78
Vehicles	216.19
Plant and Equipment	4.59
Leasehold Improvements	44.48
Land and Building	61.93
Software	0.42
Non-Compete	180.61
Customer relationships	488.88
Others*	724.90
Purchase Consideration	1,864.27
Less: Provision for termination benefit (Employee actuarial liability)	(34.80)
Add: Security Deposits (assets)	19.20
Net consideration paid	1,848.67

* Above balance of ₹ 724.90 million includes amount of Cross Border Franchisee Agreement - imports of ₹ 391.80 million and Cross Border Franchisee Agreement - exports of ₹ 333.10 million.



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Purchase consideration	Amount
Cash consideration paid	1,848.67
Add: Provision for termination benefit (Employee actuarial liability)	34.80
Less: Security Deposits (assets)	(19.20)
Total Purchase consideration	1,864.27

Analysis of cash flows on acquisition:	Amount
Payment towards acquisition of business (included in cash flow from investing activities)	1,848.67
Net cash used in acquisition	1,848.67

- c) Assets purchase and transfer agreement with Delhivery Robotics LLC and Transition Robotics Inc, via agreement dated November 17, 2021 for the purchase consideration of USD 0.50 million i.e. ₹ 37.19 million (Exchange rate as on November 17, 2021: USD/ ₹ 74.37).

The fair values of the identifiable assets of Transition Robotics Inc. as at the date of acquisition were:

Particulars	Amount
Computers/Servers	37.19

Purchase consideration	Amount
Cash consideration paid	37.19
Total Purchase consideration	37.19

Analysis of cash flows on acquisition:	Amount
Payment towards acquisition of business (included in cash flow from investing activities)	37.19
Net cash used in acquisition	37.19

35 (3) Investment in Associates

The Holding Company has made 34.55% investment in FALCON AUTOTECH Private Limited (Company engaged in the autotech business) for a consideration of ₹ 2,518.94 million vide share purchase agreement dated December 31, 2021. Upon closure of transaction on January 04, 2022, FALCON AUTOTECH Private Limited has become an associate of the Holding Company.

36 (1) Fair Values

Financial instruments by category

The carrying value and fair value of financial instruments by categories as of March 31, 2023 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Carrying value
		Designated upon initial recognition	Mandatory	
Assets:				
Cash and cash equivalents (refer note 12)	2,954.52	-	-	2,954.52
Other bank balances (refer note 13)	3,500.00	-	-	3,500.00
Investments (current) (refer note 5)	-	-	14,817.20	14,817.20
Investments (non-current) (refer note 5)	-	-	3,502.22	3,502.22
Investments in equity securities (non-current) (refer note 5)	2,820.36	-	-	2,820.36
Trade receivables (refer note 7)	9,436.37	-	-	9,436.37
Loans (current) (refer note 8)	62.13	-	-	62.13
Other financial assets (refer note 9)	40,402.04	-	-	40,402.04
Total	59,175.42	-	18,319.42	77,494.83
Liabilities:				
Trade payables (refer note 20)	7,873.55	-	-	7,873.55
Borrowing (refer note 16)	1,988.74	-	-	1,988.74
Other financial liabilities (refer note 17)	977.37	-	-	977.37
Lease liabilities (refer note 33)	7,245.69	-	-	7,245.69
Total	18,085.35	-	-	18,085.35

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The carrying value and fair value of financial instruments by categories as of March 31, 2022 were as follows:

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss		Carrying value
		Designated upon initial recognition	Mandatory	
Assets:				
Cash and cash equivalents (refer note 12)	2,290.00	-	-	2,290.00
Investments (current) (refer note 5)	-	-	14,612.33	14,612.33
Investments (non-current) (refer note 5)	-	-	3,808.39	3,808.39
Investments in equity securities (non-current) (refer note 5)	2,486.67	-	-	2,486.67
Trade receivables (refer note 7)	9,902.50	-	-	9,902.50
Loans (current) (refer note 8)	89.31	-	-	89.31
Other financial assets (refer note 9)	13,309.07	-	-	13,309.07
Total	28,077.55	-	18,420.72	46,498.27
Liabilities:				
Trade payables (refer note 20)	8,345.00	-	-	8,345.00
Borrowing (refer note 16)	3,531.39	-	-	3,531.39
Lease liabilities (refer note 33)	7,483.80	-	-	7,483.80
Other financial liabilities (refer note 17)	1,498.48	-	-	1,498.48
Total	20,858.67	-	-	20,858.67

The following methods/assumptions were used to estimate the fair values:

- The carrying value of trade receivables, cash and cash equivalents, trade payables, security deposits, lease liabilities and other current financial assets and other current financial liabilities measured at amortised cost approximate their fair value due to the short-term maturities of these instruments.
- The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used does not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.
- Fair value of quoted mutual funds is based on quoted market prices at the reporting date.
- Fair value of debt instruments is estimated based on discounted cash flows valuation technique using the cash flow projections, discount rate and credit risk.
- Fair value of the Compulsorily Convertible Preference Shares is estimated based on discounted cash flow valuation technique using cash flow projections and financial projections/budgets approved by the management.

36.2(a) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Level 1 - Quoted prices in active market

Level 2 - Significant observable inputs

Level 3 - Significant unobservable inputs

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2023:

Particulars	March 31, 2023	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in Unquoted preference shares (refer note 5)	197.90	-	-	197.90
Investments in bonds, non-convertible debentures, mutual fund units (refer note 5)	18,121.51	18,121.51	-	-



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The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022:

Particulars	March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Investments in bonds, non-convertible debentures, mutual fund units (refer note 5)	18,420.72	18,420.72	-	-

There have been no transfers between Level 1 and Level 2 during the current year and previous year.

36.2 (b) Fair value hierarchy

Reconciliation of Level 3 fair value measurement is as follows:

Particulars	Compulsorily Convertible Preference Shares	
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	-	184.84
Addition during the year	-	957.40
Fair value loss on financial instruments at fair value through profit or loss	-	2,997.39
Converted to equity	-	(4,139.63)
Balance at the end of the year	-	-

Reconciliation of Level 3 fair value measurement is as follows:

Particulars	Investments in Unquoted preference shares (refer note 5)	
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	-	-
Addition during the year	197.90	-
Fair value loss on financial instruments at fair value through profit or loss	-	-
Balance at the end of the year	197.90	-

36.2 (c) Fair value hierarchy

Following table describes the valuation techniques used and key inputs thereto for the level 3 financial assets / liabilities as of March 31, 2023 and March 31, 2022:

Financial Liabilities	Valuation technique(s)	Key Input(s)	Sensitivity
Compulsorily Convertible Preference Shares	Option Pricing Method*	i) Risk Free Discount rate: NA (March 31, 2022: 4.7%) ii) Volatility rate: NA (March 31, 2022: 50%) iii) Liquidity event timeline - 4 to 5 years	Refer Note below**

* The fair values of financial assets included in level 3 have been determined in accordance with generally accepted pricing models based on a option pricing method, with the most significant inputs being the risk free discount rate that reflects the credit risk of counter parties.

** Sensitivity to changes in unobservable inputs: The fair value of these financial assets is directly proportional to the estimated entity valuation. If the entity were to increase / decrease by 5% with all the other variables held constant, the fair value of the financial liabilities would increase / decrease by 5%.

Financial Assets

Investments in Unquoted preference shares (Boxseat Ventures Private Limited,) have been valued basis giving reference to the fund raised by Boxseat Ventures Private Limited subsequently on March 29, 2023, which was equivalent to the fund invested by the Company.

36.3 Financial risk management objectives and policies

Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimise potential Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer.

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A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits. The Group has in place appropriate risk management policies to limit the impact of these risks on its financial performance. The Group ensures optimisation 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 increase in loss by ₹ 53.26 million (March 31, 2022: ₹ 118.67 million) and decrease in interest rate by 1% will result in decrease in loss by ₹ 40.77 million (March 31, 2022: ₹ 91.06 million).

ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The entire revenue and majority of the expenses of the Group are denominated in Indian Rupees.

Management considers currency risk to be low and does not hedge its currency risk. As variations in foreign currency exchange rates are not expected to have a significant impact on the results of operations, a sensitivity analysis is not presented.

(B) Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and unbilled receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments. Trade receivables are typically unsecured and are derived from revenue earned from customers primarily located in India. Credit risk has always been managed by the Group through credit approvals and continuously monitoring the credit worthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix to compute the expected credit loss allowance for trade receivables. The provision matrix takes into account available external and internal credit risk factors such as the Group's historical experience for customers.

(C) Credit risk exposure

The Group has established an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables and 12 months expected credit loss for other receivables. An impairment analysis is performed at each reporting date on an individual basis for major parties. In addition, a large number of minor receivables are combined into homogenous categories and assessed for impairment collectively. The calculation is based on historical data of actual losses.

(D) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The Group's largest customer accounted for approximately 16.94% of net sales year ended March 31, 2023 (March 31, 2022: 13.44% respectively).



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(E) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Board, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual undiscounted maturities of significant financial liabilities as of March 31, 2023:

Particulars	Carrying Amount	Less than 1 year	1-2 years	2-4 years	> 4 years	Total
Trade payables (refer note 20)	7,873.55	7,873.55	-	-	-	7,873.55
Borrowing (refer note 16)*	1,988.74	962.41	862.43	349.17	-	2,174.01
Other financial liabilities (refer note 17)	977.37	977.37	-	-	-	977.37

The table below provides details regarding the contractual undiscounted maturities of significant financial liabilities as of March 31, 2022:

Particulars	Carrying Amount	Less than 1 year	1-2 years	2-4 years	> 4 years	Total
Trade payables (refer note 20)	8,345.00	8,345.00	-	-	-	8,345.00
Borrowing (refer note 16)*	3,531.39	2,478.02	1,386.80	24.13	-	3,888.95
Other financial liabilities (refer note 17)	1,498.48	1,498.48	-	-	-	1,498.48

* It includes contractual interest payment based on interest rate prevailing at the end of the reporting period.

(F) Equity price risk

The Group invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), government securities. In order to manage its price risk arising from investments, the Group diversifies its portfolio in accordance with the limits set by the risk management policies.

36.4 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, instruments entirely equity in nature, securities premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- Maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital by regularly reviewing the capital structure. As a part of this review, the Group considers the cost of capital and the risks associated with the issued share capital. In the opinion of the Directors, the Group's capital risk is low.

Particulars	March 31, 2023	March 31, 2022
Borrowings and Leases (refer note 16 and 33)	9,234.43	11,015.19
Less: cash and cash equivalents (refer note 12)	(2,954.52)	(2,290.00)
Net debt	6,279.91	8,725.19
Total Equity	91,771.37	59,573.69
Total capital	91,771.37	59,573.69
Capital and net debt	98,051.28	68,298.88
Gearing ratio	6.40%	12.78%

No Material changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

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37. Commitments and contingencies

A) Capital and other commitments

- Capital commitment (net of advances) as on March 31, 2023 is ₹ 1,562.64 million (March 31, 2022: ₹ 1,584.90 million).
- Letter of comfort issued to lender against credit facilities availed by the subsidiary company (Spoton Logistics Private Limited) as on March 31, 2023 is Nil (March 31, 2022: ₹ 60.00 million).

(B) Contingent Liability:

Particulars	March 31, 2023	March 31, 2022
Claims against the Group not acknowledged as debts:		
a) Tax matter in appeal: Income Tax (refer note 1 (a) below)	344.92	344.92
b) Service Tax (refer note 1 (b) below)	622.59	622.59
c) Goods and Service Tax (refer note 1 (c) below)	11.70	-

Note 1: The claims against the Group comprises of:

- The holding company received Assessment Order dated December 26, 2018 for FY 2015-2016 i.e. AY 2016-17 wherein the Assessing Officer (AO) raised Income tax demand of ₹ 1,835.70 million under Income Tax Act, 1961. The Company has filed appeal in respect of the above demand which is pending at Commissioner of Income Tax (Appeals). The Company filed rectification petition under Section 154 of the IT Act, wherein the Company was allowed to set-off business loss and unabsorbed depreciation and demand was revised to ₹ 344.92 million accordingly vide order dated September 15, 2021.
- During year 2017-18, the Commissioner of service tax department had issued show cause notices (SCNs) for raising demands of ₹ 189.39 million and ₹ 221.64 million on March 28, 2018 for the period from January 2012 to March 2015 and from April 2015 to June 2017 respectively, in respect of classification of services of the Holding Company's subsidiary (Spoton Logistics Private Limited or "Spoton") vendors as a Goods Transport Agency for that period. The SCN alleged that vehicle hire services availed by the Spoton for transporting the goods of its customers both between the cities and within the city should be classified under "Goods Transportation Agency" ("GTA") as per Section 65 (105) (zpp) of the Finance Act prior to July 01, 2012 and Spoton is required to pay the service tax under the reverse tax charge mechanism. Spoton had responded to these SCNs in 2017-18.

The Department passed two adjudication orders dated September 06, 2018 and July 26, 2021 for service tax demand of ₹ 189.39 million and along with interest and penalty of ₹ 189.39 million for the period from January 2012 to March 2015 and ₹ 221.64 million along with interest and penalty of ₹ 221.64 million for the period from April 2015 to June 2017.

The Spoton has filed appeals before the CESTAT against the orders after paying the amount under protest for an amount of ₹ 14.20 million and ₹ 16.62 million for the respective periods in compliance with Section 35F(ii) of the Central Excise Act, 1944.

Based on the underlying facts, applicable laws and industry standards, Spoton is confident of prevailing against the department's position and does not anticipate any adverse financial outcome.

(c) Goods and service tax

Tamil Nadu Notice:

Holding Company's subsidiary (Spoton Logistics Private Limited or "Spoton") has received notice of ₹ 3.78 million intimating discrepancies in the GST returns filed during the FY 2018-19 wherein demand has been raised on the various issues which *inter alia* includes excess input tax credit claimed in GST returns vis-à-vis GSTR-2A and interest liability on late payment of GST liability in GSTR-3B.

Spoton has furnished a response thereby submitting its grounds that ITC has been duly claimed post fulfilling the conditions prescribed under the law, as applicable during the period for which demand has been issued. In addition to the same, for the issue with respect to interest liability on late payment, it has been submitted that the Spoton is enquiring about the same and taking appropriate action post validating the facts.

The matter is currently pending with the adjudicating authority and the final order is yet to be issued. Spoton is confident of prevailing against the department's position and does not anticipate any adverse financial outcome.



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Telangana Notice:

Spoton is in receipt of notice of ₹ 1.26 million intimating discrepancies in the GST returns filed during the FY 2019-20 wherein demand has been proposed on the issue that there exists a difference between ITC claimed in GSTR-3B vis-à-vis figure auto-populating in Table 8A of GSTR-9 and ineligible ITC has been claimed by the Company.

Spoton has furnished a response thereby submitting that the values mentioned in the notice are not updated and the value of difference does not incorporate adjustment with respect to ITC claimed in current financial year against invoices pertaining to previous year. Once the above-mentioned adjustments are incorporated in the difference computed in the notice, the difference mentioned in the notice shall stand resolved.

The matter is currently pending with the adjudicating authority and the final order is yet to be issued.

Maharashtra Notice:

Appeal filed against order issues in Maharashtra confirming demand of ₹ 6.6 million.

The Spoton is in receipt of an order wherein GST demand has been confirmed against certain issues primarily on account of excess input tax credit claimed in GST returns vis-à-vis GSTR-2A and claim of ITC against invoices where such the corresponding vendor has not paid taxes. Due to the change in internal management, such an order came to the knowledge of the Spoton recently. However, since the timeline to file an appeal has elapsed in the present case, the Spoton had furnished a request for condonation of delay to the first appellate authority, which has been rejected by the relevant authority.

With respect to the above, the Spoton is of the view that it has sufficient grounds to challenge the order confirming demand and the order passed by the first appellate authority and is currently exploring the option to challenge such orders before higher judicial forums in view of various favourable decisions of various high courts.

The Spoton is confident of prevailing against the department's position and does not anticipate any adverse financial outcome.

(d) 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 (Spoton Logistics Private Limited) shall be punishable with fine which shall not be less than ₹ 1 lakh but which may extend to ₹ 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 ₹ 50,000 and where the contravention is a continuing, with a further fine which may extend to ₹ 1,000 per day until the date of appointment.

Since the paid up capital of one of its subsidiary (Spoton Logistics Private Limited) is more than five crore rupees (ten crores w.e.f. April 01, 2020 as amended vide notification dated January 03, 2020, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014), the Company was required to have a whole time CS. The Company appointed whole time CS on May 02, 2019 and made two compounding applications with Registrar of Companies, one for compounding of offense till November 02, 2018 (till the time of adjudication provision became effective) and second for adjudication from November 02, 2018 (date of effectiveness of adjudication provision) till May 02, 2019 (date of appointment of Company Secretary). The Company's management does not expect significant penalty arising out of the compounding proceedings.

During the year ended March 31, 2023 the aforesaid default has been compounded on payment of compounding fees ₹ 0.18 million by the Spoton and ₹ 0.32 million by the applicant Whole Time Director viz. Abhik Mitra. The RD order is dated May 24, 2022 and the compounding fees has been paid on May 30, 2022. The compounding application stands disposed off with the RD order and payment of Compounding fee.

(e) The Company (Spoton Logistics Private Limited) 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 August 09, 2021 seeking compounding for such offence with the Registrar of Companies, Ahmedabad. The Company's management expect that the compounding will not result in any significant penalties to the Company.

The aforesaid default has been compounded on payment of compounding fees ₹ 0.07 million per applicant ie Spoton, Whole Time Director viz. Abhik Mitra and Company Secretary viz. Pavithra. The RD order is dated March 15, 2022 and the compounding fees has been paid on April 04, 2022. The compounding application stands disposed off with the RD order and payment of Compounding fee.

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.

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Contingent liabilities disclosed above represent possible obligations where possibility of cash outflow to settle the obligations is not remote.

Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

The Group doesn't expect any reimbursements in respect of the above contingent liabilities.

(f) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated February 28, 2019. As a matter of caution, company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on subject.

38. Share-based payments

The Group provides share-based payment schemes to its employees. During the year ended March 31, 2023 and March 31, 2022, four employee stock option plan (ESOP) were in existence. The relevant details of the schemes and the grant are as below:

General Employee Share-option Plan (GESP): Delhivery Employees Stock Option Plan, 2012

On September 28, 2012, the board of directors approved the Delhivery Employees Stock Option Plan, 2012 for issue of stock options to the key employees and directors of the Company. According to the scheme 2012, it applies to bona fide confirmed employees/directors and who are in whole – time employment of the Company and as decided by the board of directors of the Company or appropriate committee of the board constituted by the board from time to time. The options granted under the scheme shall vest not less than one year and not more than four years from the date of grant of options. Once the options vest as per the scheme, they would be exercisable by the option grantee at any time and the equity shares arising on exercise of such options shall not be subject to any lock-in period.

Movements during the year

The following table illustrates the number and weighted average exercise prices (WAEP) of and movements in share options during the year:

Particulars	March 31, 2023		March 31, 2022	
	No. of options	WAEP (₹)	No. of options	WAEP (₹)
Outstanding at the beginning of the year #	11,785,442	19.24	23,242,000	18.52
Granted during the year	2,891,209	1.00	7,466,609	13.29
Forfeited during the year	(1,910,906)	12.43	(1,139,367)	23.48
Cancelled during the year	-	-	-	-
Exercised during the year	(3,079,621)	23.57	(17,783,800)	15.55
Outstanding at the end of the year	9,686,124	13.76	11,785,442	19.24
Exercisable at the end of the year	9,686,124	13.76	11,785,442	19.24

The weighted average remaining contractual life for the stock options outstanding as at March 31, 2023 is 2.23 years (March 31, 2022: 2.87 years). The range of exercise prices for options outstanding at the year end was ₹ 0.10 to ₹ 29.85 (March 31, 2022: ₹ 1 to ₹ 29.85).

The weighted average fair value for the stock options granted during the year is ₹ 474.38 (March 31, 2022: ₹ 278.50).

The following tables list the inputs to the models used for the GESP plans for the year ended March 31, 2023 and March 31 2022, respectively:

Particulars	March 31, 2023	March 31, 2022
Expected volatility (%)	46.30% - 52.40%	48.60% - 59.40%
Risk-free interest rate (%)	6.50% - 7.40%	4.10% - 5.70%
Expected life of share options	4 to 5 years	4 to 5 years
Weighted average share price (₹)	13.76	19.24
Model used	Black Scholes Option Pricing Model	

The expected life of the share options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome.



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Delhivery Employees Stock Option Plan - II, 2020

The Plan has been formulated and approved on January 25, 2021 by the Board of Directors ("Board") and approved on February 01, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan came into force on February 01, 2021 and 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.

Movement during the year

Particulars	March 31, 2023		March 31, 2022	
	No. of options	WAEP (₹)	No. of options	WAEP (₹)
Outstanding at the beginning of the year #	7,740,200	0.10	7,740,200	0.10
Granted during the year	-	-	-	-
Forfeited during the year	(175,000)	0.10	-	-
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	7,565,200	0.10	7,740,200	0.10
Exercisable at the end of the year	7,565,200	0.10	7,740,200	0.10

The Options granted under the plan shall vest as per the schedule determined by the Board / ESOP Committee. Vesting of options shall be subject to continued / uninterrupted employment with the Company and completion of a minimum period of 1 year from the date of the grant of the options and shall vest on the basis of the Company achieving the valuation thresholds (being the multiple of the share price of the Series F round of investment in the Company).

Any remaining unvested Options (that have not vested in accordance with above) shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option Agreement or grant letter between each eligible employee and the Company, unless determined otherwise by the Board / ESOP committee from time to time.

The following tables list the inputs to the models used for the plan for the year ended March 31, 2023 and March 31 2022:

Particulars	March 31, 2023	March 31, 2022
Expected volatility (%)	45.1% - 48%	45.1% - 48%
Risk-free interest rate (%)	3.35%	3.35%
Expected life of share options	3.17	3.17
Face value (₹)	0.10	0.10
Model used	Monte Carlo simulation	

Delhivery Employees Stock Option Plan III, 2020

The Plan has been formulated and approved on January 25, 2021 by the Board of Directors ("Board") and approved on February 01, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan came into force on February 01, 2021 and shall continue to be in force until - (i) its termination by the Board; or (ii) the date on which all of the Options available for issuance under the Plan have been Exercised.

The Options granted under the Plan shall vest as per the schedule determined by the Board/ESOP Committee. Vesting of Options shall be subject to continued/uninterrupted employment with the Company and completion of a minimum period of 1 year from the date of the grant of the Options and shall vest at the discretion of the Board/ESOP Committee on the basis of the performance of the Company or any other transformative event as decided by the Board/ESOP Committee. Any remaining unvested Options that have not vested in accordance with this sub-clause shall automatically lapse. The vesting date or conditions for vesting shall be specified in the option agreement or grant letter between each Eligible Employee and the Group, unless determined otherwise by the Board/ESOP Committee from time to time.

Movement during the year

Particulars	March 31, 2023		March 31, 2022	
	No. of options	WAEP (₹)	No. of options	WAEP (₹)
Outstanding at the beginning of the year #	8,820,500	0.10	1,050,000	0.10
Granted during the year	-	-	7,770,500	0.10
Forfeited during the year	(287,500)	0.10	-	-
Cancelled during the year	-	-	-	-
Exercised during the year	(1,392,100)	0.10	-	-
Outstanding at the end of the year	7,140,900	0.10	8,820,500	0.10
Exercisable at the end of the year	7,140,900	0.10	8,820,500	0.10

#On September 29, 2021, the Company has sub divided equity shares having a face value of ₹ 10 each into 10 equity shares having a face value of ₹ 1 each. Also, the Company had allotted bonus equity shares in the ratio of 9:1 held by the existing shareholders.

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The following tables list the inputs to the models used for the plan for the year ended March 31, 2023 and March 31, 2022:

Particulars	March 31, 2023	March 31, 2022
Expected volatility (%)	45.1% - 48%	45.1% - 48%
Risk-free interest rate (%)	3.35%	3.35%
Expected life of share options	3.17	3.17
Face value (₹)	0.10	0.10
Model used	Monte Carlo simulation	

On December 14, 2021, the Company changed the vesting for the employee share options granted in February 2021 under Scheme III from milestone based vesting to milestone & time based vesting. The fair value of the options at the date of the modification was determined to be ₹ 294.6 million. The fair value on account of said modification has reduced by ₹ 470.1 million and as per provisions of Ind AS 102, the Company shall continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred. Accordingly, the expense for the original option grant will continue to be recognised as if the terms had not been modified. Further, the expense for time based vesting has been recognised as an expense over the period from the modification date to the end of the reduced vesting period. The fair value of the modified options was determined using the same models and principles as described above, with the following model inputs:

Particulars	Unit	Value
Effective/Valuation date		December 14, 2021
Common stock value	₹ / share	380
Exercise price	₹ / share	0.10
Volatility	%	47%
Risk free rate	%	3.52%

Delhivery Employees Stock Option Plan IV, 2021

The Plan has been formulated and approved on September 24, 2021 by the Board of Directors ("Board") and approved on September 29, 2021 by the shareholders of Delhivery Limited (the "Company"). The Plan shall be deemed to have come into force on September 29, 2021 and shall continue to be in force until -

(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.

Movement during the year

Particulars	March 31, 2023		March 31, 2022	
	No. of options	WAEP (₹)	No. of options	WAEP (₹)
Outstanding at the beginning of the year	7,600,000	1.00	-	-
Granted during the year	2,590,000	1.00	7,600,000	1.00
Forfeited during the year	-	-	-	-
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	10,190,000	1.00	7,600,000	1.00
Exercisable at the end of the year	10,190,000	1.00	7,600,000	1.00



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The following tables list the inputs to the models used for the plan for option based on milestone for the year ended March 31, 2023 and March 31, 2022:

Particulars	March 31, 2023	March 31, 2022
Effective Valuation Date	November 20, 2022	November 01, 2021
Expected volatility (%)	64.40%	38.00% - 43.20%
Risk-free interest rate (%)	6.09%	3.48%
Common Stock Value (₹ per share)	NA	380
Exercise Price (₹ per share)	1.00	1.00
3 months average closing (₹ per share)	509.30	NA
Model used	Monte Carlo simulation	

The following tables list the inputs to the models used for the plan for time-based option for the year ended March 31, 2023 and March 31, 2022:

Particulars	March 31, 2023	March 31, 2022
Expected volatility (%)	45.50% - 51.10%	45.50% - 51.10%
Risk-free interest rate (%)	4.20% - 5.60%	4.20% - 5.60%
Expected life of share options	1.4 - 4.44	1.4 - 4.44
Exercise Price (₹ per share)	1.00	1.00
Model used	Black Scholes Option Pricing Model	

During the year ended March 31, 2023, Company has granted 25,90,000 stock options convertible into Equity options vesting of which is milestone base.

During the year ended March 31, 2022, Company has granted 76,00,000 stock options convertible into Equity Shares out of which vesting of 25,00,000 stock options is time based and 51,00,000 is milestone based. Vesting of these options is dependent upon the listing of the Company on recognised stock exchange therefore, ESOP expense pertaining to these options will recognised in books after listing of company.

Accordingly, when company got listed on May 24, 2022, vesting of these options has commenced for time based stock options.

During the year ended March 31, 2023, the Group has recognised expense of ₹ 2,891.41 million (March 31, 2022: ₹ 3,084.21 million).

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.

39. Operating Segments

The Group's operating business are organised and managed separately according to the geographical location of the customers with each segment representing a strategic business unit that servers different markets.

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM), in deciding how to allocate resources and assessing performance. The Group's CODM is the Chief Executive Officer.

The Group has identified geographical segments as reportable segments. The geographical segments comprise:

1. India
2. Outside India

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The information based on geographical areas in relation to revenue and non-current operating assets are as follows:

Particulars	March 31, 2023	March 31, 2022
(i) Revenue from operations		
Within India	72,212.15	68,750.69
Outside India	380.42	263.04
	72,592.57	69,013.73
Adjustment and elimination	(339.56)	(190.87)
	72,253.01	68,822.86
(ii) Non-current operating assets		
Within India	43,781.04	43,869.47
Outside India	29.94	100.50
	43,810.98	43,969.97
Adjustment and elimination	(1,306.71)	(1,004.70)
	42,504.27	42,965.27

Non-current operating assets primarily includes Property Plant Equipment, Intangible assets, Right-of-use assets, Investment and other non-current assets.

40. Interest in Associates

FALCON AUTOTECH Private Limited

The Holding Company had made 34.55% investment in FALCON AUTOTECH Private Limited (Company engaged in the autotech business) for a consideration of ₹ 2,518.94 million vide share purchase agreement dated December 31, 2021.

The Group's interest in FALCON AUTOTECH Private Limited is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the associates, based on its summary statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised balance sheet as at March 31, 2023:

Particulars	As at March 31, 2023	As at March 31, 2022
Current assets, including cash and cash equivalents (March 31, 2023: ₹ 554.12 million (March 31, 2022: ₹ 33.17 million)	2,686.62	2,614.87
Non-current assets	486.96	426.60
Non-current liabilities	(311.27)	(369.42)
Current liabilities	(886.63)	(1,155.28)
Equity	1,975.68	1,516.77
Proportion of the Group's ownership	34.55%	34.55%
Group share in equity	682.60	524.04
Carrying amount of the investment	2,622.46	2,486.67

Summarised statement of profit and loss for the year ended March 31, 2023 (March 31, 2022: January 04, 2022 to March 31, 2022)

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from contract with customers	2,807.04	253.01
Other income	64.14	12.67
Total income (I)	2,871.18	265.68
Cost of materials consumed	1,504.15	77.76
Change In inventories of finished goods, work -in-process & stock-in-trade	(124.67)	38.46
Employee benefits expense	341.32	61.84
Finance costs	32.14	9.25
Depreciation and amortisation expense	99.24	18.32
Other expenses	501.74	134.09
Total expenses (II)	2,353.92	339.72



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Particulars	As at March 31, 2023	As at March 31, 2022
Profit/(Loss) before tax (I-II)	517.26	(74.04)
Tax expense		
Current Tax	(126.98)	(17.58)
Deferred Tax	2.65	(1.79)
Net profit/(loss) after tax	392.94	(93.41)
Proportion of the Group's ownership	34.55%	34.55%
Group's share of profit/(loss) for the year/ period	135.74	(32.27)
Share of other comprehensive income of associate (net)	0.06	-

The Group had contingent liabilities of ₹ 91.85 million (March 31, 2022: Nil) and capital commitments of ₹ 0.68 million (March 31, 2022: Nil) relating to its interest in FALCON AUTOTECH Private Limited.

Leucon Technology Private Limited

The Group had a 28.58% interest in Leucon Technology Private Limited, an associate involved in the business of data processing.

On November 19, 2021 Board had approved "Surrender of Rights Agreement" with Leucon Technology Private Limited and its promoters for surrender of control rights of the Company in Leucon for a consideration of ₹ 22.50 million and execution of share purchase agreement for transfer of 5 Equity shares of ₹ 10 each and 4,653 preference shares of ₹ 10 each of the Leucon held by the Company for consideration of ₹ 3.10 million.

The Group's interest in Leucon Technology Private Limited has been accounted for using the equity method in the consolidated financial statements. Summarised financial information up to November 19, 2021, based on its summary statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Summarised statement of profit and loss for the period April 01, 2021 to November 19, 2021:

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from contract with customers	-	80.60
Other income	-	0.30
Total income (I)	-	80.90
Cost of materials consumed	-	16.40
Employee benefits expense	-	10.70
Finance costs	-	22.60
Other expenses	-	2.40
Total expenses (II)	-	52.10
Profit before tax (I-II)	-	28.80
Tax expense		
Deferred Tax	-	0.10
Net profit after tax	-	28.90
Proportion of the Group's ownership	-	28.58%
Group's share of profit for the year/period	-	8.26

41. Additional Information pursuant to Schedule III of Companies Act, 2013

Name of the entity in the Group	Net Assets, i.e. total assets minus total liabilities		Share in (loss)/income		Share in other Comprehensive (loss)/income		Share in total Comprehensive loss	
	As % of consolidated net assets	Amount	As % of consolidated profit and loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total consolidated comprehensive income	Amount
Parent								
Delhivery Limited (formerly known as Delhivery Private Limited)								
Balance as at March 31, 2023	104.28%	95,703.26	80.60%	(8,123.02)	-72.12%	(8.87)	80.79%	(8,131.89)
Balance as at March 31, 2022	103.35%	61,571.24	85.41%	(8,635.18)	66.52%	9.56	85.44%	(8,625.62)
Indian subsidiaries								
Orion Supply Chain Private Limited								
Balance as at March 31, 2023	-0.34%	(312.55)	0.69%	(69.75)	4.41%	0.54	0.69%	(69.21)
Balance as at March 31, 2022	-0.41%	(244.34)	1.50%	(151.21)	-2.61%	(0.37)	1.50%	(151.58)
Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited)								
Balance as at March 31, 2023	-0.10%	(88.32)	0.10%	(9.90)	0.00%	-	0.10%	(9.90)
Balance as at March 31, 2022	-0.13%	(79.75)	-0.03%	3.00	0.00%	-	-0.03%	3.00
Delhivery Freight Services Private Limited								
Balance as at March 31, 2023	0.67%	612.48	3.88%	(390.69)	3.07%	0.38	3.88%	(390.31)
Balance as at March 31, 2022	-1.47%	(878.12)	5.93%	(599.35)	13.37%	1.92	5.92%	(597.43)
Spoton Logistics Private Limited								
Balance as at March 31, 2023	0.15%	139.11	3.43%	(345.22)	-68.00%	(8.36)	3.51%	(353.58)
Balance as at March 31, 2022	0.70%	414.15	-1.25%	126.37	62.41%	8.97	-1.34%	135.34
Algorithm Tech Private Limited (w.e.f. January 13, 2023)								
Balance as at March 31, 2023	-0.05%	(44.78)	0.16%	(16.21)	-0.38%	(0.05)	0.16%	(16.26)
Balance as at March 31, 2022	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign subsidiaries								
Delhivery Corp Limited, United Kingdom								
Balance as at March 31, 2023	0.01%	10.16	0.00%	0.27	0.95%	0.12	0.00%	0.39
Balance as at March 31, 2022	0.02%	9.77	0.12%	(12.49)	-32.91%	(4.73)	0.17%	(17.22)
Delhivery USA LLC								
Balance as at March 31, 2023	0.14%	126.88	4.29%	(432.18)	60.44%	7.43	4.22%	(424.75)
Balance as at March 31, 2022	0.13%	74.60	2.70%	(273.23)	-9.26%	(1.33)	2.72%	(274.56)
Delhivery HK Pte. Ltd.								
Balance as at March 31, 2023	0.06%	55.65	-0.02%	1.90	42.52%	5.23	-0.07%	7.13
Balance as at March 31, 2022	0.08%	48.51	-0.17%	17.63	9.71%	1.40	-0.19%	19.03
Delhivery Singapore Pte. Ltd.								
Balance as at March 31, 2023	0.08%	76.47	1.45%	(145.71)	68.88%	8.47	1.36%	(137.24)
Balance as at March 31, 2022	0.23%	134.97	0.32%	(32.47)	33.37%	4.79	0.27%	(27.68)
Associate (as per proportionate consolidation/ investment as per the equity method)								
FALCON AUTOTECH Private Limited								
Balance as at March 31, 2023	0.00%	-	-1.35%	135.74	0.00%	-	-1.35%	135.74
Balance as at March 31, 2022	0.00%	-	0.32%	(32.27)	0.00%	-	0.32%	(32.27)
Consolidation Adjustments								
Balance as at March 31, 2023	-4.91%	(4,506.99)	6.78%	(683.01)	60.24%	7.41	6.71%	(675.60)
Balance as at March 31, 2022	-2.48%	(1,477.34)	-0.87%	(520.80)	-0.01%	(5.84)	-0.88%	(526.64)
Total								
Balance as at March 31, 2023	100.00%	91,771.37	100.00%	(10,077.79)	100.00%	12.30	100.00%	(10,065.49)
Balance as at March 31, 2022	100.00%	59,573.69	100.00%	(10,110.00)	100.00%	14.37	100.00%	(10,095.63)



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42. The management has maintained proper books of account as required by law except that the Group does not have servers physically located in India for the daily backup in relation to one of its billing application of the invoices raised on its customers. However, such invoices are available in companies' other accounting software, the backup of which is maintained in India. Further, subsequent to the year-end, the Group has also started taking daily back-up of such billing application in a server physically located in India.
43. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
44. 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.

45. The consolidated statements of the Group includes subsidiaries and associates listed in the table below:

Sr. No.	Name of the Company	Relationship with Group	Principal activities	Country of incorporation	% of equity interest	
					As at March 31, 2023	As at March 31, 2022
1	Delhivery Freight Services Pvt. Ltd.	Subsidiary	Freight services	India	100.00%	100.00%
2	Orion Supply Chain Private Limited	Subsidiary	Freight services	India	100.00%	100.00%
3	Delhivery USA LLC	Subsidiary	Freight services	United States of America	100.00%	100.00%
4	Delhivery HK Pte. Ltd.	Subsidiary	Freight services	Hong Kong	100.00%	100.00%
5	Spoton Logistics Private Limited (w.e.f. August 24, 2021)	Subsidiary	Freight services	India	100.00%	100.00%
6	Delhivery Cross Border Services Private Limited (Formerly known as Skynet Logistics Private Limited)	Subsidiary	Freight services	India	100.00%	100.00%
7	Delhivery Corp Limited, London, United Kingdom	Subsidiary	Freight services	United Kingdom	100.00%	100.00%
8	Delhivery Singapore Pte. Ltd. (w.e.f. August 02, 2021)	Subsidiary	Freight services	Singapore	100.00%	100.00%
9	Algorhythm Tech Private Limited (w.e.f. January 13, 2023)	Subsidiary	Supply Chain Software	India	100.00%	-
10	FALCON AUTOTECH Private Limited (w.e.f. January 04, 2022)	Associate	Autotech	India	34.55%	34.55%

46. Other Statutory Information

- (i) The Group did not have any material transactions with companies struck off under Section 248 of the companies Act 2013 or Section 560 of companies act, 1956 during the financial year except as mentioned below:

Name of the struck off Company	Nature of transactions with struck off company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022 [#]	Relationship with the struck off company
AN Impex Pvt. Ltd.	Receivables	19.42	19.42	Customer
EW Logistics India Private Limited	Receivables	2.49	NA	Customer
Jollychic India Private Limited	Receivables	0.96	1.04	Customer
Flatworld Trading Private Limited	Receivables	0.87	0.87	Customer
Xtreme Freighter Private Limited	Receivables	0.68	NA	Customer
Abacus Trading Private Limited	Receivables	0.57	0.58	Customer
Gopane Consumer Product Private Limited	Receivables	0.38	NA	Customer
Just like new Technologies Private Limited	Receivables	0.30	0.30	Customer

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Name of the struck off Company	Nature of transactions with struck off company	Balance outstanding as on March 31, 2023	Balance outstanding as on March 31, 2022 [#]	Relationship with the struck off company
Swasti Shibansi Exports (Opc) Private Limited	Receivables	0.25	NA	Customer
Entex Shipping Private Limited	Receivables	0.24	NA	Customer
Istage Entertainment Private Limited	Receivables	0.23	0.23	Customer
Indochin Electrotech Private Limited	Receivables	0.21	NA	Customer
Aezal Infotech And Solutions Private Limited	Receivables	0.19	NA	Customer
Tabasco Fashion Tech Private Limited	Receivables	0.18	0.18	Customer
Konark Courier And Cargo Private Limited	Receivables	0.16	0.16	Customer
Kiaz E-Life Private Limited	Receivables	0.16	0.15	Customer
Send My Gift Private Limited	Receivables	0.15	NA	Customer
E-Vahan Express Private Limited	Receivables	0.15	0.15	Customer
Satyog Enterprises Private Limited	Receivables	0.11	NA	Customer
PFC Clothing Private Limited	Receivables	0.11	NA	Customer
Total Trading International Private Limited	Receivables	0.10	0.10	Customer
Body Transform Nutraceuticals Pvt. Ltd.	Receivables	0.19	NA	Customer
PLS Express Pvt. Ltd.	Receivables	1.34	NA	Customer
Guanxin India Private Limited	Advance from Customer	0.16	NA	Customer
Fystic Private Limited	Advance from Customer	0.28	NA	Customer

[#] Balances as at March 31, 2022 for the parties stuck off during the year ended March 31, 2023 has been reported as not applicable ("NA"), as these were stuck off during the current year. However there may be balances as on March 31, 2022 for these stuck off parties.

- (ii) The Group do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (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 any such transaction which is not recorded in the books of account 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).
- (v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (vi) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.

47. Disclosure under Rule 11(e) of Companies (Audit & Auditors) Rules 2014:

Following are the details of the funds advanced by the Group to intermediaries for further advancing to the ultimate beneficiaries:

Name of the intermediary to which the funds are advanced	Date of funds advanced	Amount of funds advanced (Amount in ₹ million)	Date on which funds advanced are further invested by Intermediaries to other intermediaries or ultimate beneficiaries	Amount of fund further advanced or loaned or invested by such intermediaries to other intermediaries or ultimate beneficiaries (Amount in ₹ million)	ultimate beneficiary
Delhivery Singapore Pte. Ltd.	September 21, 2021	38.88	December 09, 2021	38.88	Delhivery Robotics LLC
Delhivery Singapore Pte. Ltd.	September 21, 2021	14.49	March 31, 2022	14.49	Delhivery Robotics LLC
Delhivery Singapore Pte. Ltd.	September 21, 2021	23.94	July 26, 2022	23.94	Delhivery Robotics LLC
Delhivery Singapore Pte. Ltd.	September 21, 2021	16.23	September 23, 2022	16.23	Delhivery Robotics LLC
Delhivery Singapore Pte. Ltd.	September 21, 2021	16.52	December 19, 2022	16.52	Delhivery Robotics LLC
Delhivery Singapore Pte. Ltd.	September 21, 2021	4.36	July 12, 2022	4.36	Delhivery Bangladesh Logistics Pvt. Ltd

The Group has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).



Notes

To the Consolidated Financial Statements for the year ended March 31, 2023
CIN: L63090DL2011PLC221234
(All amounts in Indian Rupees in million, unless otherwise stated)

Complete details of the intermediary and ultimate beneficiary:

Name of the entity	Registered Address	Government Identification Number (PAN)	Relationship with the Company
Delhivery Singapore Pte. Ltd. (Intermediary)	8, Cross Street, #24-03/04, Manulife Tower, Singapore 048424	Not Applicable (foreign entity)	Subsidiary
Delhivery Robotics LLC (Ultimate beneficiary)	16192, Coastal Highway, Lewes, Delaware 19558, Country of Sussex	Not Applicable (foreign entity)	Step down Subsidiary
Delhivery Bangladesh Logistics Pvt. Ltd (Ultimate beneficiary)	High Tower (9 th Floor), 9 Mohakhali Bir Uttam A K Khandoker Sarok, C/A, Banani, Dhaka, PO: 1213, Bangladesh	Not Applicable (foreign entity)	Step down Subsidiary

Further except to the transaction mentioned above:

- (a) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries) or
 - provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.
- (b) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

48. Subsequent Events:

Subsequent to the year ended March 31, 2023, the Company has entered into Share Subscription Agreement with Vinculum Solutions Private Limited ("Vinculum") and its promoters by which the Company intends to infuse 100% cash consideration for investment in fresh equity, resulting in 10.94% of the fully diluted shareholding of Vinculum.

49. Delhivery Limited acquired Spoton Logistics Private Limited (Spton) in August 2021 and initiated integration of Spoton with itself during the month of April, 2022. While the customer, and technology integration phases were completed without issues, however, the operational integration took longer than expected to stabilise. This was due to higher than forecasted volumes creating bottlenecks at key gateways and loads in some capacity constrained locations impacting operations in year ended March 31, 2023. This resulted into significant reduction of volumes with some customers. During the period, the management, decided to retain higher operating capacities in terms of manpower and line-haul fleet to ensure stable services. As a result, overall volumes and margins were impacted during the year ended March 31, 2023.

50. Utilisation of IPO funds

During the year ended March 31, 2023, the Company has completed its Initial Public Offer (IPO) of 107,497,225 equity shares of face value ₹ 1 each at an issue price of ₹ 487 per share (including a share premium of ₹ 486 per share). The issue comprised of a fresh issue of 82,137,328 equity shares out of which, 82,102,165 equity shares were issued at an offer price of ₹ 487 per equity share to all allottees and 35,163 equity shares were issued at an offer price of ₹ 462 per equity share, after a discount of ₹ 25 per equity share to the employees (inclusive of the nominal value of ₹ 1 per equity share) aggregating to ₹ 40,000 million and offer for sale of 25,359,897 equity shares by selling shareholders aggregating to ₹ 12,350.00 million. Pursuant to IPO, the equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on May 24, 2022.

Notes

To the Consolidated Financial Statements for the year ended March 31, 2023
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(All amounts in Indian Rupees in million, unless otherwise stated)

The total offer expenses are estimated to be ₹ 1,697.25 million (exclusive of taxes) which are proportionately allocated between the selling shareholders and the Company as per respective offer size. The utilisation of IPO proceeds of ₹ 38,703.00 million (net of provisional IPO expenses of ₹ 1,297.00 million) is summarised below:

Sr. No.	Particulars	Amount to be utilised as per prospectus	Utilisation up to March 31, 2023	Unutilised as on March 31, 2023
1	Funding organic growth initiatives			
	(i) Building scale in existing business lines and developing new adjacent business lines	1,600.00	1,247.82	352.18
	(ii) Expanding our network infrastructure	13,600.00	4,205.69	9,394.31
	(iii) Upgrading and improving our proprietary logistics operating system	4,800.00	2,454.86	2,345.14
2	Funding inorganic growth through acquisitions and other strategic initiatives	10,000.00	161.25	9,838.75
3	General corporate purposes	8,703.00	5,125.24	3,577.76
	Total	38,703.00	13,194.86	25,508.14

Net proceeds which were unutilised as at March 31, 2023 were temporarily invested in deposits with scheduled commercial bank accounts.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number:
101049W/E300004

per Yogesh Midha
Partner
Membership No.: 094941

Place: New Delhi
Date: May 19, 2023

For and on behalf of the board of directors of
Delhivery Limited (formerly known as Delhivery Private Limited)

Sandeep Kumar Barasia
Executive Director and Chief Business Officer
DIN: 01432123
Place: Goa
Amit Agarwal
Chief Financial Officer

Place: Goa
Date: May 19, 2023

Sahil Barua
Managing Director and Chief Executive Officer
DIN: 05131571
Place: Goa

Sunil Kumar Bansal
Company Secretary
FCS-4810

Place: Goa
Date: May 19, 2023

DELHIVERY

Delhivery Limited

(formerly known as Delhivery Private Limited)

CIN: L63090DL2011PLC221234

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

Corporate Office: Plot No. 5, Sector-44, Gurugram, Haryana-122022

Website: www.delhivery.com

Contact No: +91 124 6225602

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