



Policy For Determining Material Subsidiaries

Sl	Approving Authority	Date of Approval/Amendment
1	Board of Directors	17 th January, 2022
2	Board of Directors	25 th March, 2022



Delhivery Limited
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1. INTRODUCTION

The Board of Directors (“**Board**”) of Delhivery Limited (“**Company**”) has adopted the following policy and procedures with regard to determination of material subsidiaries (“**Policy**”) in accordance with the requirements of Regulation 16(1)(c) and Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”).

2. OBJECTIVES

The objective of the Policy is to determine material subsidiary(ies) of the Company and to provide a corporate governance framework for such material subsidiary(ies).

3. DEFINITIONS

“**Act**” means the Companies Act, 2013, and all rules, regulations, notifications and circulars made/ issued thereunder, as amended, from time to time.

“**Audit Committee**” means the committee constituted by the Board of the Company under applicable provisions of the Act and the Listing Regulations.

“**Control**” shall have the same meaning ascribed to such term under the Act and the Securities and Exchange Board of India (Substantial Acquisitions and Takeovers) Regulations, 2011, as amended from time to time.

“**Independent Director**” shall have the same meaning ascribed to such term the Act and the Listing Regulations.

“**Insolvency Code**” shall mean Insolvency and Bankruptcy Code, 2016.

“**Material Subsidiary**” shall mean a subsidiary, whose income or net worth exceeds 10% (ten percent) of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year.

“**Significant Transaction or Arrangement**” shall mean any individual transaction or arrangement that exceeds or is likely to exceed 10% (ten percent) of the total revenues or total expenses or total assets or total liabilities, as the case may be, of the Unlisted Subsidiary for the immediately preceding accounting year.

“**Subsidiary**” shall have the same meaning ascribed to such term under the Act and the Listing Regulations.

“**Unlisted Material Subsidiary**” means a **Material Subsidiary**, whose shares are not listed on any recognized stock exchange in India.

“**Unlisted Subsidiary**” means a Subsidiary of the Company whose shares are not listed on any recognized stock exchange in India.

Any other term not defined herein shall have the same meaning as defined in the Act, Listing Regulations, Securities Contracts (Regulation) Act, 1956 or any other applicable law.

4. IDENTIFICATION OF MATERIAL SUBSIDIARY

Material subsidiaries shall be identified in terms of the provisions of the Listing Regulations applicable in each case. A list of such material subsidiaries shall be presented to the Audit Committee annually for its noting.

5. DISPOSAL OF SHARES OR ASSETS OF A MATERIAL SUBSIDIARY

Subject to the applicable provisions of the Act and Listing Regulations, the Company, without passing a special resolution in its general meeting, shall not:

- a. dispose of shares in its Material Subsidiary resulting in reduction of its shareholding (either on its own or together with other subsidiaries) to less than or equal to 50% (fifty percent) or cease the exercise of Control over the subsidiary except in cases where such divestment is made under a scheme of arrangement duly approved by a court/tribunal, or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved;
- b. sell, dispose and lease assets amounting to more than 20% (twenty percent) of the assets of the Material Subsidiary on an aggregate basis during a financial year, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a court/tribunal, or under a resolution plan duly approved under section 31 of the Insolvency Code and such an event is disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

6. GOVERNANCE FRAMEWORK

- At least one Independent Director on the Board of the Company shall be a director on the Board of an Unlisted Material Subsidiary whether incorporated in India or not.
- The Audit Committee of the Company shall also review the financial statements, in particular, the investments made by the Unlisted Subsidiary.
- The minutes of the board meetings of the Unlisted Subsidiary shall be placed at the Board meeting of the Company.

- The management of the Unlisted Subsidiary shall periodically bring to the attention of the Board of Directors of the Company, a statement of all Significant Transaction or Arrangement entered into by the Unlisted Subsidiary.
- The Audit Committee shall also review the utilization of loans and/ or advances from/investment by the Company in the Subsidiary(ies) exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investment etc.

7. SECRETARIAL AUDIT

Every Material Subsidiary incorporated in India shall undertake secretarial audit and copy of the same shall be provided as part of the annual report of the Company.

8. AMENDMENT AND CONFLICT

Any subsequent amendment/modification applicable laws shall automatically apply to this Policy. The Board has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever. In the event of conflict between this Policy and any applicable laws, applicable laws shall prevail.