

**STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS  
SHAREHOLDERS UNDER THE APPLICABLE LAWS IN INDIA**

The Board of Directors  
Delhivery Limited (formerly known as Delhivery Private Limited)  
Plot 5, Sector 44  
Gurugram 122002  
Haryana, India

Dear Sir / Madam,

**Statement of Special Tax Benefits available to Delhivery Limited (formerly known as Delhivery Private Limited) and its shareholders under the Indian tax laws**

1. We hereby confirm that the enclosed Annexure 1 to 2 ('Annexures'), prepared by Delhivery Limited (formerly known as Delhivery Private Limited) (the "Company"), provides the special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 (the "Act") as amended by the Finance Act 2021, i.e. applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23; the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017 ("GST Act"), the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), the Customs Act, 1962 ("Customs Act"), the Customs Tariff Act, 1975 ("Tariff Act") and the Foreign Trade (Development and Regulation) Act, 1992 (read with the Foreign Trade Policy 2015-2020 ("FTP"), as amended presently in force in India (together, the "Tax Laws"). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company and its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfil.
2. The benefits discussed in the enclosed Annexures are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offer of the equity shares of the Company ("IPO").
3. We do not express any opinion or provide any assurance as to whether:
  - i) the Company or its shareholders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been / would be met with; and
  - iii) the revenue authorities/courts will concur with the views expressed herein.
4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.



**CERTIFIED TRUE COPY**

**For DELHIVERY LIMITED**

**Company Secretary**

# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

5. This Statement is issued solely in connection with the proposed IPO and is not to be used, referred to or distributed for any other purpose.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Yogesh Midha

Partner

Membership Number: 094941

UDIN: 21094941AAAAEH5420

Place of Signature: New Delhi

Date: NOVEMBER 01, 2021



# DELHIVERY

## ANNEXURE 1

### THE STATEMENT OF SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

#### DIRECT TAXATION

Outlined below are the Special tax benefits available to the Company and its Shareholders under the Income-tax Act, 1961 ('the Act') as amended by the Finance Act 2021, i.e. applicable for the Financial Year 2021-22 relevant to the Assessment Year 2022-23,

#### A. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

There are no special tax benefits available to the Company.

#### B. SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

(1) As per Section 112A of the Income-tax Act, 1961 ('the Act'), long-term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 10% (without indexation) of such capital gains subject to fulfilment of prescribed conditions under the Act as well as per Notification No. 60/2018/F. o.370142/9/2017-TPL dated 1 October 2018. It is worthwhile to note that tax shall be levied where such capital gains exceed INR 1,00,000.

(2) Section 112 of the Act provides for taxation of long-term capital gains.

In case of a domestic company/ resident, amount of income-tax on long-term capital gains arising from the transfer of a capital asset shall be computed at the rate of 20%.

In case of non-resident (not being a company) or a foreign company, the amount of income-tax on long-term capital gains arising from the transfer of a capital asset (being unlisted securities or shares of a company not being a company in which the public are substantially interested) shall be calculated at the rate of 10% without giving effect to the first and second proviso to section 48.

Further, where the tax payable is payable in respect of any income arising from the transfer of a long-term capital asset, being listed securities (other than a unit) or zero coupon bond, then such income will be subject to tax at the rate of 10% of the amount of capital gains before giving effect to the provisions of the second proviso to section 48.

(3) As per Section 111A of the Act, short term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust shall be taxed at 15% subject to fulfilment of prescribed conditions under the Act.

Except for the above, the Shareholders of the Company are not entitled to any other special tax benefits under the Act.

S.R. Batliboi & Associates LLP, New Delhi  
for Identification

#### Delhivery Limited

Corporate Office: Plot 5, Sector 44, Gurugram - 122 002, Haryana, India

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

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

(Formerly known as Delhivery Private Limited)

CIN: U63090DL2011PLC221234

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# DELHIVERY

## ANNEXURE 2

### THE STATEMENT OF SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY AND SHAREHOLDERS OF THE COMPANY

#### INDIRECT TAXATION

Outlined below are the special tax benefits available to the Company and its shareholders under The Central Goods and Services Tax Act, 2017 ("CGST Act"), the Integrated Goods and Services Tax Act, 2017 ("IGST Act"), the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), the Customs Act, 1962 and the Customs Tariff Act, 1975, the Foreign Trade (Development and Regulation) Act, 1992 (read with the Foreign Trade Policy 2015-2020 ("FTP")) (collectively referred to as "Indirect tax").

#### A. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY

1. Exemption from payment of tax on outbound and inbound air freight

The Company is entitled to avail exemption on supply of services by way of transportation of goods by an aircraft from a place outside India up to the customs station of clearance in India and from custom station of clearance in India to a place outside India, in terms of Entry No. 20 and 20A respectively of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

Further, the said exemption under Entry No. 20A is in force till 30 September 2022, unless otherwise extended by Government.

2. Exemption from payment of tax on outbound ocean freight

The Company is entitled to avail exemption on supply of services by way of transportation of goods by a vessel from custom station of clearance in India to a place outside India in terms on Entry No. 20B of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

Further, the said exemption under Entry No. 20B is in force till 30 September 2022, unless otherwise extended by Government.

3. Exemption from payment of tax on services by way of giving on hire a means of transportation of goods to a goods transport agency

The Company is entitled to avail exemption on charges collected from goods transport agency ('GTA') for giving them on hire a means of transportation vide Entry No. 23(b) of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

4. Exemption from payment of tax on interest income earned from bank deposits and other non-current investments

The Company is entitled to avail exemption on interest income earned from bank deposits and other non-current investments in terms of Entry No. 28(a) of the Notification No. 9/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time.

S.R. Batliboi & Associates LLP, New Delhi  
for identification

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## 5. Zero rated benefit under GST on export of services

The specific tax benefit of not charging GST on supply of services considered as 'export of services' in terms of Section 2(6) of the IGST Act is available to the Company under Section 16 of the IGST Act upon fulfilment of the specified conditions.

As per Section 2(6) of the IGST Act, the services shall qualify as 'export of services' when:

- the supplier of service is located in India;
  - the recipient of service is located outside India;
  - the place of supply of service is outside India;
  - the payment for such service has been received by the supplier of service in convertible foreign exchange or in Indian rupees wherever permitted by the Reserve Bank of India; and
  - the supplier of service and the recipient of service are not merely establishments of a distinct person in accordance with Explanation 1 in section 8
6. Liability for payment of tax to be borne by recipient of services in certain cases

Entry No. 9 of the Notification No. 8/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time, provides two different rates for supply of services by GTA i.e. 5% and 12%.


Further, Entry No. 2 of Notification No. 10/2017-Integrated Tax (Rate) dated 28 June 2017, as amended from time to time, provides that liability for payment of tax shall be borne by the recipient of services in case where:

- Supplier has not paid IGST at the rate of 12%; and
- Recipient of such services is falling under the following category of specified recipients:
  - Any factory registered under or governed by the Factories Act, 1948(63 of 1948); or
  - any society registered under the Societies Registration Act, 1860 (21 of 1860) or under any other law for the time being in force in any part of India; or
  - any co-operative society established by or under any law; or
  - any person registered under the CGST Act or the IGST Act or the State GST Act or the UT GST Act; or
  - any body corporate established, by or under any law; or
  - any partnership firm whether registered or not under any law including association of persons; or
  - any casual taxable person

## B. SPECIAL INDIRECT TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS

There are no special Indirect Tax benefits available to the shareholders of the Company.

For Delhivery Limited (formerly known as Delhivery Private Limited)

  
Amit Agarwal  
Chief Financial Officer  
Place: Gurugram  
Date: Nov 01, 2021

S.R. Batliboi & Associates LLP, New Delhi  
for Identification

For DELHIVERY LIMITED

  
Company Secretary

Delhivery Limited  
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