



DELHIVERY

Delhivery IPO

About the Company: Delhivery is an Indian logistics and supply chain company, headquartered in Gurgaon. The company has been a large and fast growing fully integrated player in FY 21. The company with its 85 fulfillment centers, 24 automated sort centers has 7,500+ partner centers, and 3,000+ direct delivery centers, as of 2021. It offers various services including last-mile delivery, reverse logistics, third-party and transit warehousing, payment collection, vendor-to-warehouse and vendor-to-customer shipping. Most of the revenue of the company comes from providing third-party logistics and delivery services to e-commerce companies. The company is currently operational in 2000+ cities offering various supply chain services. With more than 23000 customers which include both large and small ecommerce, the company caters to more than 350 leading enterprises and brands.

Delhivery has a high quality infrastructure in logistics and network engineering. Moreover, the company has a robust network of domestic and global partners. The company has invested in infrastructure and automation to ensure cost effectiveness and deliver value to the customers. The company is deploying automatic storage and retrieval systems, material conveyance, etc. to make sure the process is efficient, less labor intensive, and cost effective. They have also begun to transition more of their cargo and two-wheeler fleet to electric vehicles.

Objectives of the Issue:

Fresh Issue: (Rs. 4000 cr)

Offer for sale: (Rs. 1235 cr)

- To fund the organic growth of the company.
- Inorganic growth through acquisition and strategic initiatives.
- General Corporate Purposes.



Outlook:

Though the company has a good customer base and has shown rapid growth in terms of investment and innovation, the financial performance of the company still is not very robust. With negative earnings the company is demanding higher value as compared to its peers which makes it more vulnerable in terms of valuation. Hence, the company shows a moderate outlook in the future.

Financials of the Company:

| (in Crores) | FY 19 | FY 20 | FY 21 | 31 st DEC 21 |
|-------------|-------|-------|-------|-------------------------|
| Revenue | 1695 | 2989 | 3838 | 4911 |
| Net Profit | -178 | -269 | -416 | -891 |

IPO Details:

| Details | Info |
|-----------------------|---------------|
| Issue Opens on | 11th May 2022 |
| Issue Closes on: | 13th May 2022 |
| Issue Price | Rs.462-487 |
| Face Value Minimum | Rs.1 |
| Lot Minimum | 30 Shares |
| Investment/Issue Size | Rs. 14,610 |
| Listing at | Rs. 5235 cr |

Important Dates:

| | |
|------------------------------------|--|
| Finalization of Basis of Allotment | On or Before 19 th May 2022 |
| Initiation of Refunds | On or Before 20 th May 2022 |
| Credit of Equity Shares | On or Before 23 rd May 2022 |
| Listing Date: | On or Before 24 th May 2022 |

IPO Valuation Parameters:

| Earnings Per Share (EPS) | Price To Earnings ratio (PE) | Return on Net Worth (RoNW) | Net Asset Value (NAV) | Debt/Equity Ratio |
|--------------------------|------------------------------|----------------------------|-----------------------|-------------------|
| (8.05) | N/A | (14.66%) | 54.79 | 0.09 |

QUERIES & FEEDBACK

Email ID: ravi.singh@shareindia.com

Disclosure:

We, research team at Share India Securities Ltd. (SISL), authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. SISL has no material adverse disciplinary history as on the date of publication of this report. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report.

We state that Research Analyst or his/her relative or SISL may have any financial interest in the subject company. Also Research Analyst or his relative or SISL or its Associate may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report.

Further, Research Analyst or his relative or SISL or its associate a) does not have any material conflict of interest at the time of publication of the research report; b) has not managed or co-managed public offering of securities for the subject company in the past twelve months; c) has not received any compensation for investment banking or merchant banking or brokerage services or for any other product/s or service/s or for any other reason whatsoever from the subject company in the past twelve months; d) has not received any compensation or other benefits from the subject company or third party in connection with the research report; e) has not served as an officer, director or employee of the subject company; and f) has not been engaged in market making activity for the subject company.

SISL is a SEBI Registered Research Analyst having registration no. INH100005011.

Disclaimer:

This report has been prepared by SISL and is meant for sole use by the recipient and not for circulation. The information and opinions contained here in have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable.

Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice.

This document is for information purposes only. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete and this document is not, and should not be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject SISL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently send or has reached any individual in such country, especially, USA, the same may be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published for any purposes without prior written approval of SISL.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk.

It should not be considered to be taken as an offer to sell or a solicitation to buy any security. SISL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

SISL and its affiliated company (ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company (ies) discussed herein or act as an advisor or lender/borrower to such company (ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

SISL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

SISL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report.

SISL is a Member of National Stock Exchange of India Limited (NSE), BSE Ltd (Bombay Stock Exchange), Multi Commodity Exchange of India Limited (MCX), National Commodity and Derivatives Exchange Limited (NCDEX), Indian Commodity Exchange Limited (ICEX) and has Depository Participant affiliation with Central Depositories Services (India) Limited (CDSL). It is a SEBI registered Portfolio Manager and SEBI registered Research Analyst[SEBI Reg. No. INB/F/E 231079832, INB/F/E 011079838, IN-DP-32-2015, AMFI Reg. No. ARN: 78041, SEBI Research Analyst Reg. No.: INH100005011, CIN - L67120GJ1994PLC115132].