

**BLUE DART**

EXPRESS LIMITED

Blue Dart Center, Sahar Airport Road,  
Andheri (East), Mumbai - 400 099, India  
Tel.: 2839 6444  
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CIN : L61074MH1991PLC061074  
www.bluedart.com  
communications@bluedart.com



July 30, 2016

BSE Limited,  
Sir Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Fort,  
Mumbai 400 001

**Stock Code: 526612**

Dear Sirs,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find Annual Report for the year ended March 31, 2016 which was adopted by the Shareholders of the Company at the Annual General Meeting of the Company held on July 28, 2016.

Kindly take the same on record.

Thanking you,

Yours faithfully,  
For **Blue Dart Express Limited**

A handwritten signature in blue ink is written over a circular purple stamp. The stamp contains the text 'LIMITED BLUE DART' around the perimeter and '2016' at the bottom.

Tushar Gunderia  
Company Secretary &  
Head-Legal & Compliance

**Encl: a/a**



DELIVERING IN BLUE DART COUNTRY

**BLUE DART**

25<sup>th</sup>

ANNUAL REPORT

2015-16



# BEST-IN-CLASS B2B\* / B2C\*\* EXPRESS AND E-TAILING DISTRIBUTION OFFERING IN BLUE DART COUNTRY

## AIR EXPRESS

The premium market leader with India's most robust Air Network

- ☐ Domestic Priority
- ☐ Domestic Priority - Time Definite Services 1030 / 1200
- ☐ Dart Apex
- ☐ Dart Apex - Time Definite Services 1200
- ☐ International
- ☐ Critical Express
- ☐ Domestic Airport To Airport
- ☐ Interline Services
- ☐ Charters
- ☐ Packaging Solutions
  - Smart Box 10 & 25 kgs
  - Express Pallet 50, 75 & 100 kgs

## GROUND EXPRESS

Connecting pan-India faster and changing business paradigm

- ☐ Dart Surfacerline
- ☐ Dart Surfacerline Plus
- ☐ Ground Point To Point
- ☐ Packaging Solutions
  - Smart Box 10 & 25 kgs
  - Express Pallet 50, 75 & 100 kgs



## E-TAILING SERVICES

The largest B2C / E-tailing / Express distribution network in India

- ☐ Apex (Air)
  - Cash On Delivery
  - Prepaid
- ☐ Dart Surfacerline (SFC) Ground
  - Cash On Delivery
  - Prepaid
- ☐ Time Definite Services
- ☐ X-Border
- ☐ Reverse Logistics
- ☐ Parcel Locker

## VALUE ADDED SERVICES

Delivering value and peace of mind

- ☐ Cash On Delivery
- ☐ Demand Draft On Delivery
- ☐ GoGreen: Carbon Neutral Service
- ☐ Temperature Controlled Logistics
- ☐ Freight On Delivery
- ☐ Insurance Arrangement

\*Business-to-Business  
\*\*Business-to-Consumers



## OUR DIFFERENTIATORS

Strong  
Brand

A spectrum of  
services to provide  
customized solutions

Information  
Technology

Service  
Excellence

Customs and  
Regulatory expertise

Our vast and  
unparalleled  
Domestic Network

Dedicated  
Air & Ground  
Infrastructure

Vast scale  
of Operations

Best-in-class  
transit time  
and reach

Passionate and  
committed  
people force

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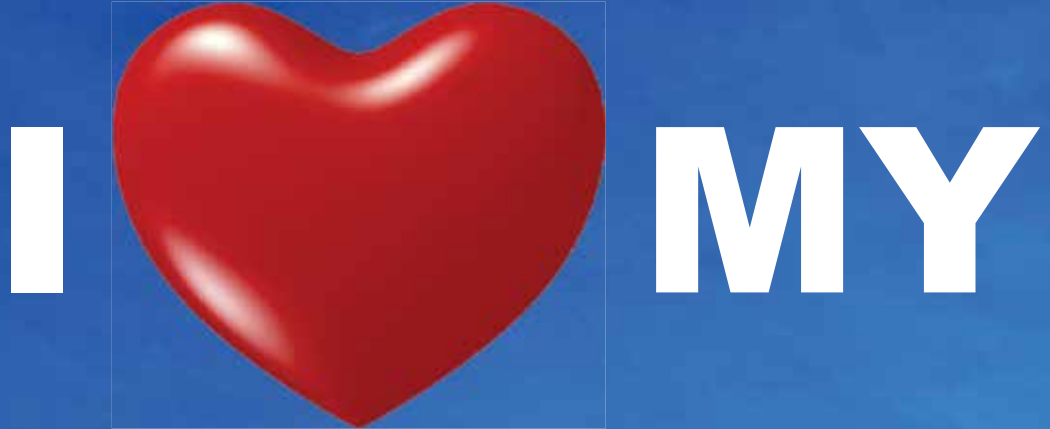
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## Our Vision

To be the best and set the pace in the express air and integrated transportation and distribution industry, with a business and human conscience.

We commit to develop, reward and recognise our people who, through high quality and professional service, and use of sophisticated technology, will meet and exceed customer and stakeholder expectations profitably.





# BLUE DART

## Our Guiding Principles

### We will:

- Treat each other fairly and with respect and dignity.
- Encourage freedom in communication of thoughts and ideas in all our interactions.
- Value integrity and be uncompromising in upholding it at all times.
- Give due importance to the health, safety and well-being of our people.
- Ensure that our 'People First' philosophy serves as a driving force behind the success of our organisation.
- Encourage and inculcate in all a winning attitude.
- Encourage learning, self-development and building effective leadership.
- Expect our people to be accountable for all their actions related to the company.
- Provide a workplace where each and every employee is nurtured and who, in turn, will nurture the organisation, thereby creating wealth for stakeholders.
- Drive the 'First Time Right' concept to achieve 100% Quality and Customer Satisfaction.
- Encourage passion and enthusiasm for Work, Service Quality and Customer Care.
- Project a positive, caring and professional image of ourselves and our service at all times.
- Avoid waste by being conscious of the impact of all our actions on the environment.
- Continue to be a law-abiding, apolitical and secular company.

# Board of Directors



**Sharad Upasani**  
Chairman



**Anil Khanna**  
Managing Director



**Malcolm Monteiro**  
Director



**Thomas Kipp**  
Director



**Surendra Sheth**  
Director  
(Resigned w.e.f. May 12, 2016)



**Narendra Sarda**  
Director



**Bettina Staffa**  
Director

## Key Managerial Personnel



**Yogesh Dhingra**  
Chief Financial Officer &  
Chief Operating Officer



**Tushar Gunderia**  
Company Secretary &  
Head - Legal & Compliance

# Executive Management



**Aneel Gambhir**  
Head - Internal Audit



**Barttanu Kumar Das**  
Head - Human Resources



**V. N. Iyer**  
Head - Corporate Accounting



**Ketan Kulkarni**  
Head - Marketing, Corporate  
Communications & Sustainability



**Michael Pereira**  
Head - Air Operations



**Vikash Mohan**  
Head - Ground Operations



**Balfour Manuel**  
Head - West 1 Region



**Sukhwinder Singh**  
Head - North Region



**K. Gopa Kumar**  
Head - South 1 Region



**B. C. Kalappa**  
Head - South 2 Region



**Samir Shah**  
Head - West 2 Region



**Samik Banerjee**  
Head - East Region





# Chairman's Statement



## Dear Stakeholders,

We have just concluded a tough financial year 2015 -16 for the Express Industry. I am pleased to inform you that despite the various macro-economic challenges and sluggishness in the market-place, your Company has consolidated its leadership position and emerged as the preferred logistics express service provider across industries on the Air, Ground and e-tailing segments. What was most encouraging was that this growth was achieved despite difficult external environment. While the headwinds somewhat abated in India and the domestic market started showing signs of stability, the actual revival in businesses was slow as consumer demand did not show signs of any significant improvement.

Our approach to creating value and achieving profitable growth has clearly delivered results.

Your Company posted ₹ 18,988 Lacs profit after tax for the year ended March 31, 2016. Income from operations for the year ended March 31, 2016 was ₹ 255,386 Lacs.

The Board of Directors of your Company has recommended a Dividend of ₹ 25/- (Rupees Twenty Five) per equity share and onetime Special Dividend of ₹ 5/- (Rupees Five) per share on the occasion of 25<sup>th</sup> Annual General Meeting, aggregating to ₹ 30/- (Rupees Thirty) per equity share of ₹ 10/- each for the year ended March 31, 2016, subject to necessary approval by the members in the ensuing Annual General Meeting.

During the financial year ended March 31, 2016, your Company carried over 1,594.79 Lacs domestic shipments and over 8.94 Lacs international shipments weighing more than 595,623 tonnes.

Despite the unfavourable external environment, Blue Dart's sound strategy and motivated people-force helped us report good growth momentum.

Our investments in the brand, our people, service quality, innovative technology, simplified solutions and customer connect initiatives continued building momentum for future growth. We will continue to do our part to take on the increased competition in the marketplace and position ourselves for leadership and growth in the months and years ahead.

Your Company continues to provide unmatched air cargo capacity in the Indian skies with a fleet of six Boeing 757-200 freighters with capacities up to 504 tonnes per night.

Your Company has continuously focused on customers and key accounts, built a strong First Choice methodology and Net Promoter Approach. Our efforts enable us to have the "best-in-breed" Customer Satisfaction standards and scores whilst consistently improving market share. Our efforts to improve customer satisfaction will continue unabated.

Your Company has leveraged the Net Promoters Approach (NPA) tool to measure Customer Loyalty for "Customer Experience and Advocacy". Touch points are also assessed through NPA. The overall Net Promoter Score has moved from 58.73% in 2014 to 64.53% in 2015.

Blue Points – Amazing Returns has been a successful loyalty program run across all industry verticals enabling nurturing, growing and building strong customer relationships.

Your Company's equity, a measure of customer loyalty towards a brand, is the highest amongst its peers. The brand is associated with international standards, reliability, trustworthiness, hi-technology, strong corporate social responsibility and customer centricity.

The Brand Focus campaign – 'I Love My Blue Dart' which was launched to re-focus on an "insanely customer centric culture" was further magnified with the "I Love My Blue Dart: Express Yourself" campaign. It gave every single Blue Darter an opportunity to "Express their Love" for the brand.

The energised Brand Custodian Program was driven with a stronger process, structure and involvement of all stakeholders to ensure that the brand is maintained with the highest levels of commitment and standards.

Strengthening our vision of enabling Blue Dart's Digital Transformation, we introduced Blue Dart's Facebook page, Twitter handle and improved our presence on Google+ and YouTube. Our presence on social media has fetched us significant advantages like - Improved Market Intelligence, Quick Complaint Resolution, Increased Brand Awareness and Reach, Instant Feedback and Suggestions on our Products and Services, Increased Customer Engagement leading to higher Involvement and Retention thereby increasing our proximity with our customers and improving Blue Dart's Affinity. All this validates our insanely Customer-Centric culture.

Your Company has successfully provided its customers end-to-end express services from a document to a charter load within India and through a varied service offering through the DPDHL group companies. Blue Dart's own dedicated aviation and ground infrastructure is unique and one of its kind in India. Advanced technology deployment across products, services, customers and internal processes have further enhanced customer delight.

Your Company has been servicing the e-tailing industry ever since its emergence in India. Today, your Company works with all leading

e-tailing players through its best-in-class, highly differentiated, last-mile delivery offering and value-added services.

Your Company is investing in the right infrastructure - including IT, multiple delivery and payment options as part of its aim to become the preferred global provider of e-tailing related services which will enable end-to-end systems to deliver for e-tailing businesses.

Details of our service and social initiatives have been presented in detail in the Management Discussion & Analysis and Sustainability Update sections of this report.

Your Company also continued to invest in improving its reach footprint across Tier II, III and IV markets. During the year, your Company improved its reach, in line with its renewed focus on an inclusive India, which we believe will drive the revival in business going forward. While doing so, we have not lost sight of the growth potential that the urban landscape and metros offer.

Your Company continues to be an Employer of Choice. During the year, several strategic and structured personal development and organizational effectiveness measures were undertaken. The employee morale, motivation and satisfaction were high. The mean satisfaction score for the year recorded a high score of 4.71 improving from previous year's score of 4.59. Special emphasis was laid on performance management, competency development, strengthening of the leadership pipeline, employee wellness and well-being, work-life balance initiatives and communications.

Blue Dart places a premium on and remains committed to good Corporate Governance, aligned to the best corporate practices. Strong Corporate Governance has always been an integral part of the Company's business philosophy. Building community trust through responsible and sustainable management of our business is an indispensable part of Blue Dart. We are committed to our Living Responsibility motto. Living Responsibility or in common parlance, 'Corporate Responsibility' is a core element of Blue Dart's corporate strategy.

Your Company (along with DPDHL group) focuses its corporate responsibility on environmental protection (GoGreen), disaster management (GoHelp) and championing education (GoTeach).

It gives me great pride to inform you that this year, your Company, was again recognised as a Super brand, trusted brand, rated as one of the best employers in the country by AON Hewitt and Great Places to Work, Investment of Choice and was recognised for its Corporate Governance and Sustainability efforts.

I look forward to 2016 -17 being a better year as our economy is primarily determined by domestic factors. Powered by sustained growth in consumer spending (through the 7<sup>th</sup> pay commission), moderate inflation, favourable demographics, digital and social inclusiveness (JAM trilogy) Jan Dhan – Aadhar – Mobile, the logistics industry will be favourably impacted as these initiatives will directly impact the sectors we work with viz; BFSI, E-tailing, Automotive, Pharmaceuticals, FMCG etc. A good monsoon will be the 'icing on the cake'.

I would like to inform you that my colleague on the Board, Mr. Surendra Sheth resigned as a Director of the Company with effect from May 12, 2016 on account of his pre-occupation. The Directors have noted and acknowledged immense contribution of Mr. Surendra Sheth, Director, to the Company made over the years.

Let me take this opportunity to thank you all, our investors and shareholders for your confidence in us, and our Blue Darters for committing their talent and tenacity to our success. It is your trust and commitment that enables our progress and encourages us to strive for excellence. We look forward to continuing along our successful path together with you.

Warm regards,

Mumbai  
May 13, 2016

Sharad Upasani  
Chairman

# Financial Summary

## Financial Summary of last Ten years

₹ in Lacs  
(Unless otherwise specified)

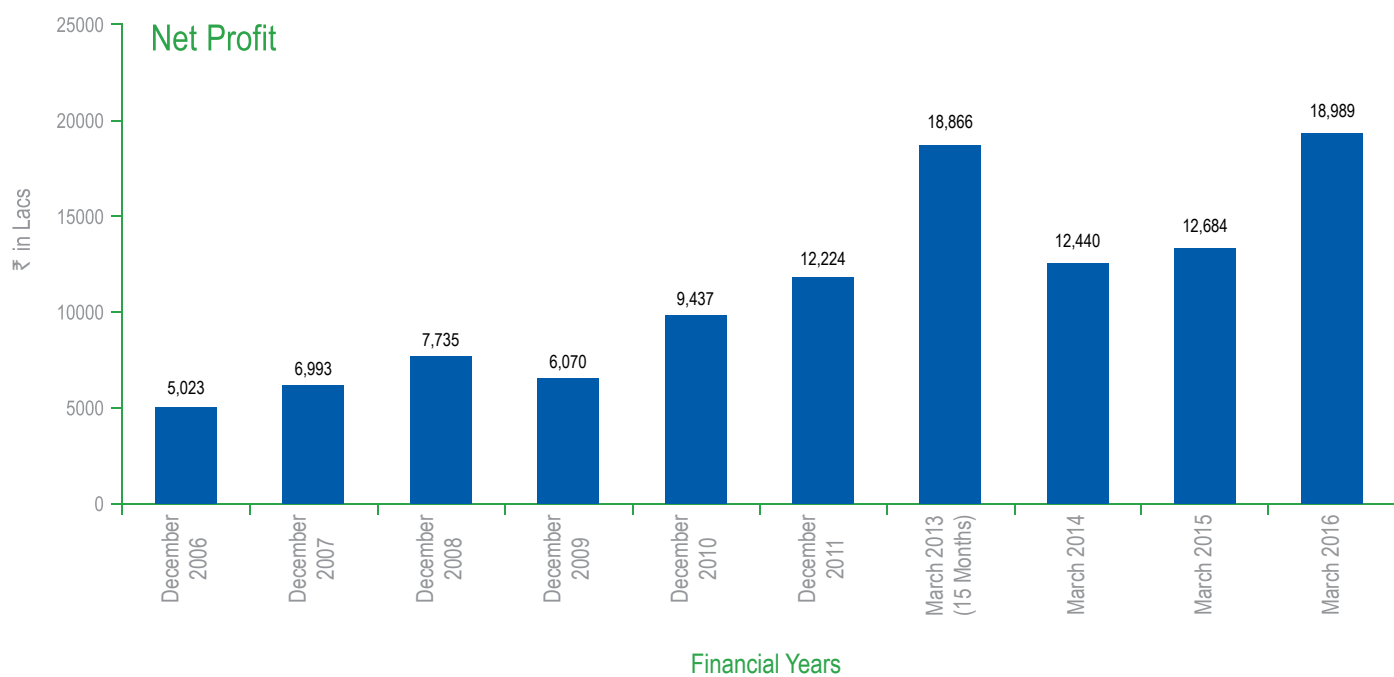
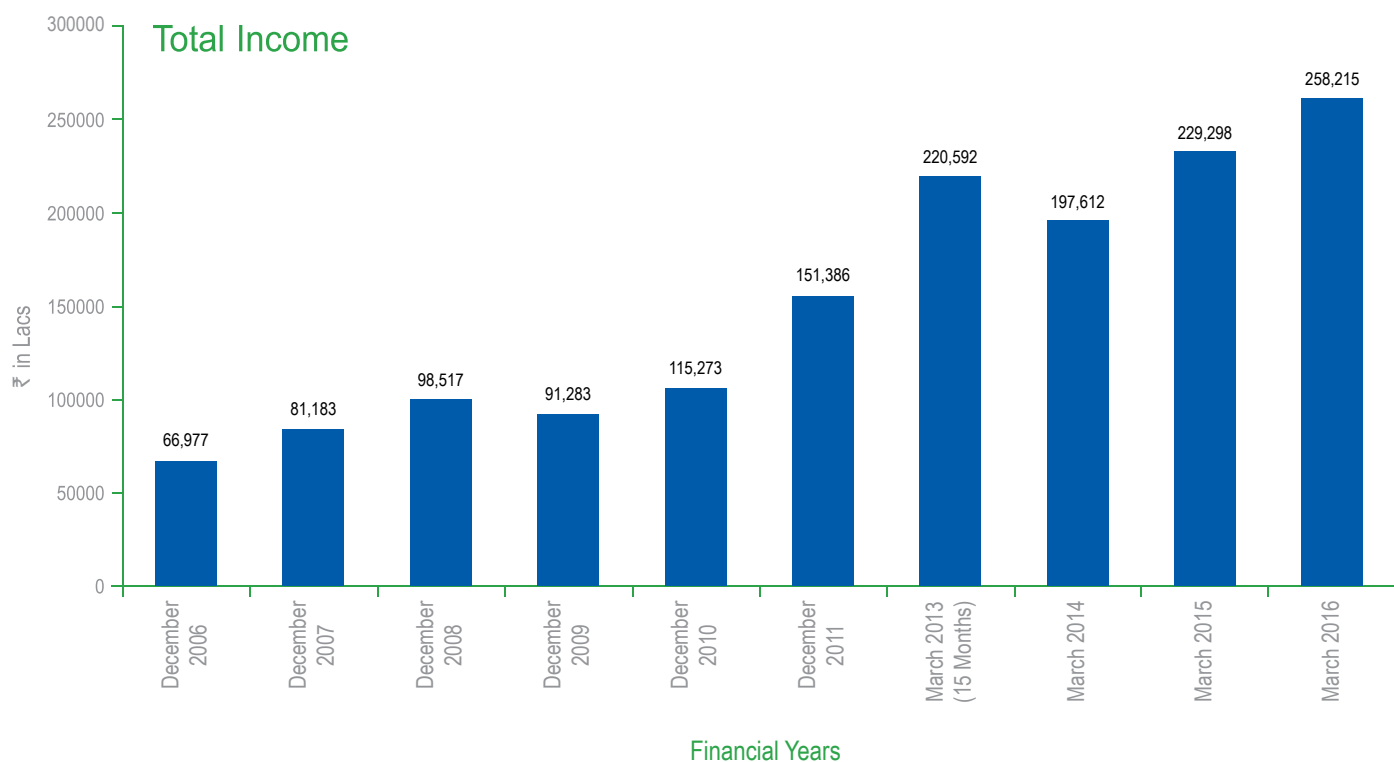
Particulars	December 2006	December 2007	December 2008	December 2009	December 2010	December 2011	March 2013 (15 Months)	March 2014	March 2015	March 2016
Income from Operations	66,802	80,872	97,446	90,523	114,741	149,271	216,651	193,415	226,850	255,386
Other Income	175	311	1,071	760	532	2,115	3,941	4,197	2,448	2,829
<b>Total Income</b>	<b>66,977</b>	<b>81,183</b>	<b>98,517</b>	<b>91,283</b>	<b>115,273</b>	<b>151,386</b>	<b>220,592</b>	<b>197,612</b>	<b>229,298</b>	<b>258,215</b>
Total Expenditure	56,831	68,083	84,935	80,150	99,324	131,338	190,021	176,162	204,467	222,154
Profit Before Depreciation, Interest & Tax	10,146	13,100	13,582	11,133	15,949	20,048	30,571	21,450	24,831	36,061
Depreciation	2,201	2,403	1,657	1,776	1,922	2,160	3,448	2,710	4,354	3,970
Finance Cost	158	40	50	55	1	0	1	3	1,121	3,114
Profit Before Tax	7,787	10,657	11,875	9,302	14,026	17,888	27,122	18,737	19,356	28,977
Tax Expenses	2,764	3,664	4,140	3,232	4,589	5,664	8,256	6,297	6,672	9,989
<b>Profit After Tax</b>	<b>5,023</b>	<b>6,993</b>	<b>7,735</b>	<b>6,070</b>	<b>9,437</b>	<b>12,224</b>	<b>18,866</b>	<b>12,440</b>	<b>12,684</b>	<b>18,989</b>
Equity	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376	2,376
Reserves	22,646	29,354	36,811	42,605	51,765	63,437	62,593	61,153	27,334	37,734
<b>Networth</b>	<b>25,022</b>	<b>31,730</b>	<b>39,187</b>	<b>44,981</b>	<b>54,141</b>	<b>65,813</b>	<b>64,969</b>	<b>63,529</b>	<b>29,710*</b>	<b>40,110</b>
Debt	1,018	-	-	-	-	-	-	-	33,219	33,219
Fixed Assets (Net)	16,870	16,017	17,319	17,167	18,310	23,273	22,018	22,772	21,538	24,654
EPS Basic and Diluted (₹)	21.2	29.5	32.6	25.6	39.8	51.5	79.5	52.4	53.5	80.0
<b>Book Value (₹)</b>	<b>105.4</b>	<b>133.7</b>	<b>165.2</b>	<b>189.6</b>	<b>228.2</b>	<b>277.4</b>	<b>273.8</b>	<b>267.7</b>	<b>125.2</b>	<b>169.0</b>
ROCE (in percentage)	32.9	37.1	33.6	22.2	28.3	29.8	41.5	29.2	32.4	47.1
Net Debt/ Equity (in times)**	-	-	-	-	-	-	-	-	0.7	0.2

\* After appropriating ₹ 40,487 lacs towards allotment of fully paid up Unsecured, Redeemable, Non-Convertible Debentures by way of Bonus, Dividend Distribution Tax thereon and expenses related to Debentures.

\*\* Net Debt = (Long term borrowing - Cash and Bank Balances excluding amounts held on behalf of customers and Dividend Accounts)

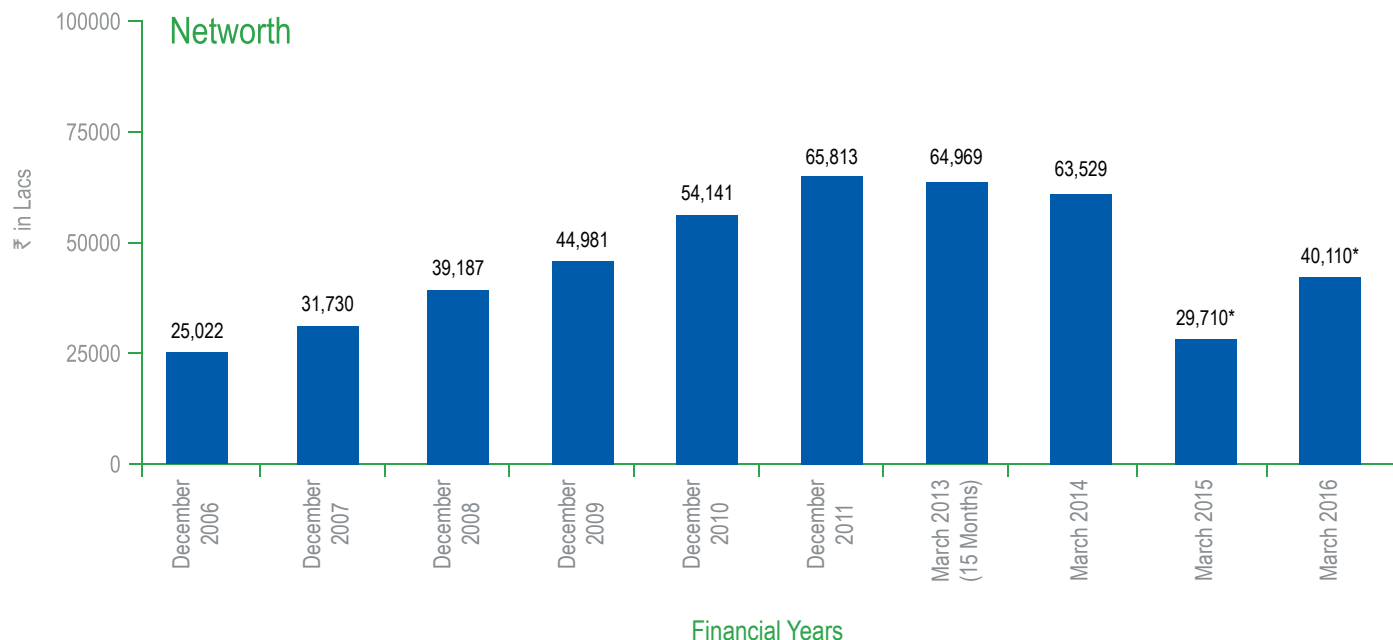
# Financial Summary

## Ten years review

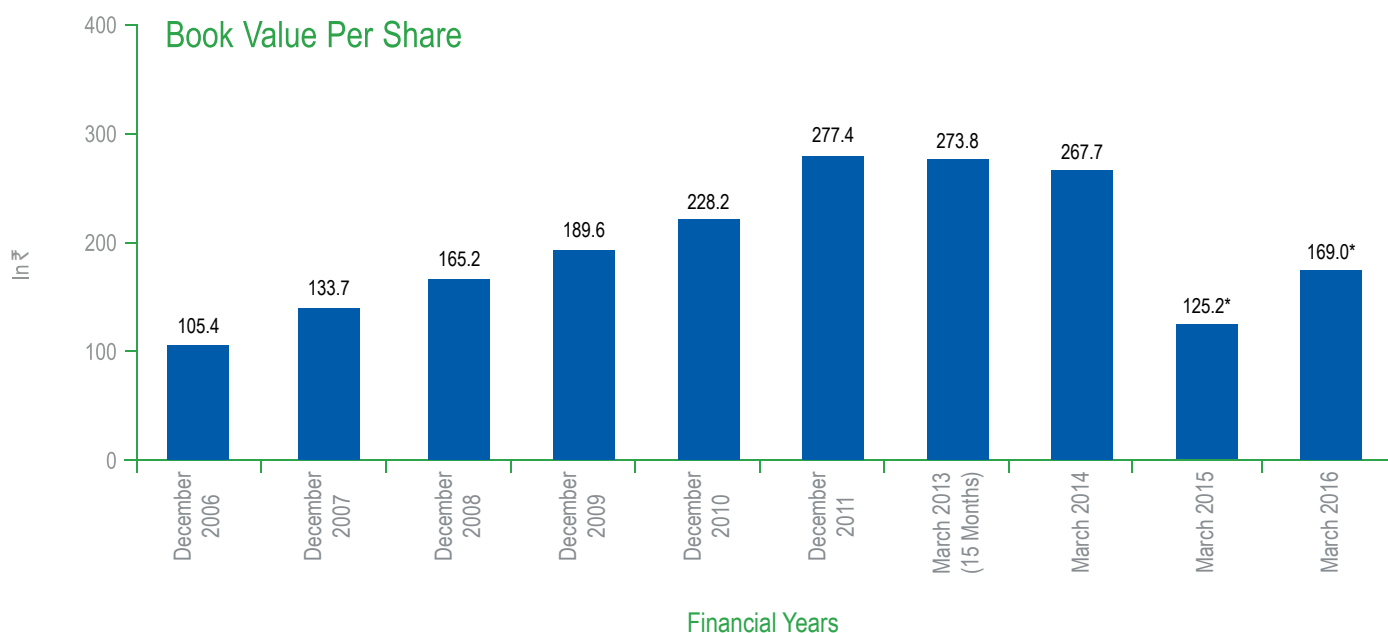




# Financial Summary



\* The Company had issued Debentures by way of Bonus in November 2014 and if Bonus Debentures would not have been issued, Network for the year 2015 would be ₹ 70,197 Lacs instead of ₹ 29,710 Lacs and for the year 2016 would be ₹ 80,597 Lacs instead of ₹ 40,110 Lacs.



\* If Debentures by way of Bonus would not have been issued, Book Value for the year 2015 would be ₹ 296 instead of ₹ 125.2 and for the year 2016 Book Value Would be ₹ 340 instead of ₹ 169.

A photograph of three young monks in maroon robes sitting on the ground. The monk in the center is playing a stringed instrument, possibly a veena. The monk on the left is looking at something in his hands. The monk on the right is looking towards the center. A Blue Dart box is visible in the bottom right corner.

**Reach out and touch lives  
in Blue Dart country.**

When you hand over a package to us, we know what rests in our hands are your trust, belief and expectations. To deliver for you with care and responsibility, our intricate and extensive air and surface network touches lives in every part of India. Guaranteeing you peace of mind, always.

# Sustainability at Blue Dart



## LIVING RESPONSIBILITY

### GoGreen



### GoHelp



### GoTeach



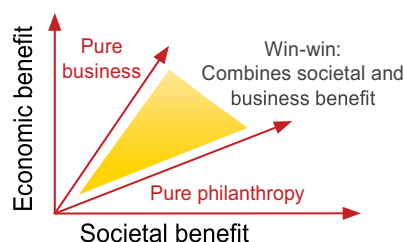
Responsible business practice is the foundation of our long-term success at Blue Dart. Our goal is to become Provider, Employer and Investment of Choice through responsible business practice and a balanced approach to pursuing economic, social and environmental interests.

We take our responsibility to society, to the communities in which we operate, to our employees and to the environment seriously. We want to make a positive contribution to our world by using our knowledge and domestic / global presence in ways that benefit people and the environment. As a Indian company

with a global outlook, we endeavor to maintain a delicate balance between economic, environmental and social interests. Under the motto "Living Responsibility", Blue Dart (along with DP DHL) focuses its corporate responsibility on protecting the environment (GoGreen), delivering help (GoHelp) and championing education (GoTeach). These are supported and complemented by local community initiatives, which demonstrate the voluntary commitment, special abilities and enthusiasm of employees from across Blue Dart Country.

### A comprehensive strategy for fulfilling our corporate responsibility – 'Living Responsibility'

Striking a balance between economic benefit and assuming responsibility for communities is the bedrock of successful CR commitment and a contributing factor to achieving group targets



## 2% CSR Mandate

Blue Dart's commitment towards the betterment of the environment and communities has been unwavering since its inception in 1983. Over the years, the company has been consistently reporting on its corporate responsibility performance, and each year, expanding its scope to include a higher number of beneficiaries that can be impacted.

With effect from April 1, 2014, Blue Dart is one of the eligible companies in India Inc. to be included under the 2% CSR mandate under the Companies Act 2013.

As per Section 135 of the Companies Act, 2013, every company having net worth of ₹ 500 crore or more or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any financial year shall constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of three or more Directors out of which at least one Director shall be a Independent Director.

In 2014, Blue Dart constituted a CSR Committee as contemplated under the provisions of the law. The CSR Committee of the Board comprises of Sharad Upasani as Chairman of the Committee and Malcolm Monteiro and Anil Khanna as Members of the Committee.

The Company has also constituted its CSR Implementation / Management Committee comprising of Yogesh Dhingra, CFO & COO, Ketan Kulkarni, Head - Marketing, Corporate Communications & Sustainability and Barttanu Kumar Das, Head – Human Resources, for implementation and execution of CSR initiatives adopted by the Company in accordance with the Provisions of the Companies Act, 2013. The Company has spent ₹ 303 Lacs on CSR initiatives for the financial year 2015-2016.



# Sustainability at Blue Dart



## Global Volunteer Day (GVD)

This year GVD was celebrated from 17-27 September 2015, however at DP DHL every day is GVD. Great volunteering efforts were witnessed from over 4,209 X BU employees who spent over 10,501 employee hours and came together to participate in various activities under the GoGreen, GoHelp and GoTeach pillars and increase the impact of our Living Responsibility.

Global Volunteer Day 2015 gave an opportunity to the employees, partners, customers and various other stakeholders to become responsible citizens by helping the people in need. Volunteers thronged in large numbers by participating in wide ranging programs / interventions like saving lives through blood donation drives, making our world greener through sapling plantation initiatives, investing in future generations by teaching children from marginalized sections of society, cleaning their schools and bringing a smile to their faces. Employees also voluntarily spent time and resources to bring happiness in the hearts of senior citizens and underprivileged children in many old age homes and orphanages.

### GoGreen

Over 602 X BU employees participated by investing 1,314 volunteering hours in over 20 various sapling plantation drives and cleaning drives across the country. Various other activities were carried out under the "GoGreen pillar".

**Chennai** - Volunteers planted 50 saplings

at Valluvar Gurukalam H. S. School - West Tambaram, carried out a cleanliness drive and checked the condition of the saplings at Sriperumpudur - Temple Land, where sapling plantation was carried out last year. Volunteers visited Kendriya Vidyalaya, Palavanthangal, where they carried out a sapling plantation drive and conducted an awareness session on "GoGreen" with over 1,000 school children. Cleanliness drives and sapling plantation drives were also conducted at various other locations in Chennai.

**Mumbai & Bengaluru** - 20 saplings were planted in the compound of Municipal Corporation school No - 31 & 32, Navi Mumbai. Team DHL and Xiaomi together participated in a cleanliness and tree plantation drive at Bengaluru. Also, sapling plantation was conducted at Government Primary School in Bommanahalli Village at Devanahalli in Bengaluru.

**Delhi, Ahmedabad, Aurangabad, Tirupur & Hyderabad** - Sapling plantation was conducted across various facilities in Aurangabad, Hyderabad, Ahmedabad and Tirupur. Volunteers also donated saplings to walk in customers in Ahmedabad. At Delhi a session was conducted on Waste Paper Recycling.

### GoHelp

Over 3,167 X BU employees participated in over 135 activities by investing 7,726 of volunteering hours in various activities conducted across the country. Blood Donation drives, in collaboration with NGOs, were conducted in 32 facilities across India which received participation from over 1,499 volunteers.

Volunteers came forward and supported old age homes and orphanages, where the team donated sports equipments, old clothes, groceries, blankets, sweets, fruits, pillows, computer tables and daily use items to the NGOs.

**Hyderabad & Bengaluru** - The team, in association with Akshaya Patra, volunteered in Hyderabad and Bangalore by helping in the kitchens for preparation of midday meal at three centers. Volunteers helped in activities ranging from cleaning to cutting of vegetables, etc., post which, volunteers visited schools partnered with the NGO and served food to more than 500 children. The volunteers made visits to orphanages like Jeevanadi Trust, Zion Missionary & Shishumandir, donated school bags, sports kits etc. and organized meals for the children. Apart from these, visits were made to government schools & schools for specially abled children.

**Ahmedabad, Aurangabad, Bhopal, Baroda, Nagpur, Raipur, Indore** - Volunteers in Bhopal, Ahmedabad & Indore visited beneficiaries in old age homes of Anand Dham, Bhopal; Jeevandhara & Giriraj Sewa Kendra in Ahmedabad; Vriddhashram, Indore & many more.

Volunteers also visited & donated various things at Cancer Care Foundation, Aurangabad; Blind Hostel, Bhopal; Missionaries of Charity for specially abled children, Mother Teresa's Children's Home, Manav Smruti Home for specially abled children & Blind People Association in Ahmedabad; Sanjivani Sewa Sangam, Indore; Bikshuk Kendra & Leprosy Hospital in Baroda and many more. Volunteers in Nagpur visited Shradhanand



# Sustainability at Blue Dart



Peth Girls Anathalaya where they donated toys to 170 girls. In Raipur, volunteers visited SOS Children's Village where they conducted activities and organized a meal for them.

**Chennai** – Volunteers participated in large numbers and conducted donation drives at orphanages like - Aadheeswarar Charitable Trust, New Life Charitable Centre, Kakkum Karangal & Good Life Orphanage and at government schools. Volunteers also visited the old age Home, New Life Charitable Trust, and conducted eye check-up camps & organized meals for the elderly. Volunteers also created traffic rules awareness on the signals of GST Road in collaboration with Meenambakkam Police Station.

**Cochin, Tirupur, Karur, Salem, Coimbatore, Erode, Madurai, Trichy, Tuticorin, Mysore** – In association with Vasan Eye, Dental Care and Medical health checkup center, a free dental, eye and medical checkup camp was organized at Tirupur, Salem, Coimbatore, Karur, Madurai and Trichy for customers, employees and families. In Coimbatore & Tirupur, volunteers visited a blind school, handed over uniforms, pillows, bed sheets and had lunch with them. Volunteers from Cochin, Salem, Erode, Mysore & Tuticorin visited orphanages like Infant Jesus Orphanage, Nesakarangal, Ilaya Bharatham Orphanage, Chamundashwari Children Home & Annai Karunai Illam.

**Mumbai, Pune, Goa** - Volunteers in Goa partnered with NGO Matruchaya and organized midday meal for the children. In Pune & Mumbai, volunteers visited Patishabai Lunkad Blind School & Home for the Blind and donated utility items & organized interactive

activities. Volunteers in Mumbai also visited Janakalyan Sevashram, an orphanage, where they organized activities for the children, donated utility items and organized a meal for them. At HQC, volunteers conducted a donation drive where employees generously donated various items to NGO Goonj. Volunteers in Mumbai visited old age homes, conducted cleaning drives and assisted Traffic Police to manage the traffic at DN Nagar.

**Delhi, Kolkata, Agra, Patna** – In Delhi, volunteers visited Ayurda Old Age Home, spent time with the beneficiaries, distributed clothes and helped the staff in serving meals. Volunteers also visited Don Bosco Ashalayam and distributed sweets, biscuits and generated awareness on basic hygiene. In Kolkata, volunteers visited NIR Ideal Home for handicapped children and donated chocolates, biscuits, toys and a water purifier. They also visited Loknath Old Age Home, Rajarhat Gopalpur Handicapped Welfare Association and various other orphanages and donated sweets, chocolates, books etc. In Agra, volunteers visited slums where they distributed sweets, biscuits and conducted hygiene sessions with the children there. In Patna, volunteers visited Umang – School for disabled children where they donated toys, stationery & snacks to the disabled children.

## GoTeach

Over 440 X BU employees participated in over 34 activities by investing 1,461 of volunteering hours in various activities conducted under the GoTeach pillar. Out of these, over 122 volunteers spent time and conducted various activities in Teach for India (TFI) supported schools impacting over 1,000 children across

Mumbai, Delhi, and Hyderabad. Drawing competitions were organized across schools. Volunteers also interacted with the children and gave them lessons on life skills.

**Mumbai, Pune & Nagpur** – The Mumbai team visited a Zilla Parishad School in Bhiwandi and conducted awareness sessions on Safety and GoGreen through interactive videos. Volunteers also visited Navi Mumbai Municipal Corporation School where they conducted a seminar for the students on basic First Aid. Pune volunteers visited a school for the visually impaired and conducted story telling sessions. Nagpur volunteers conducted session on safety awareness at Missionaries of Charity.

**Delhi, Ahmedabad** – Volunteers in Delhi displayed inspirational videos on GoGreen at Don Bosco Ashalayam. Volunteers in Ahmedabad donated stationery items like colours and pencils to the students of Ambawadi Open School and conducted drawing competition for the children. Additionally, the team also sponsored the rent for two education centres in Jivan Tirth and Rampir no Tekro in Ahmedabad.

**Bengaluru, Chennai** – Bangalore volunteers donated computers to a Government school for physically challenged. The team also conducted bi-weekly classes on subjects like English/Computer/Drawing. In Chennai, lectures were given on health and cleanliness to the contract loaders / housekeeping staff at BDA head office and Chennai station. The team also visited two schools to create awareness on the importance of planting trees, Go Green and Road Safety.

# Sustainability at Blue Dart



## 5th Blue Dart World CSR Day and Global CSR Excellence & Leadership Awards

As a socially responsible corporate, Blue Dart presented the 5th Blue Dart World CSR Day and Global CSR Excellence & Leadership Awards in Mumbai on February 18, 2016.

### 5th Blue Dart World CSR Day

The 5th enhanced edition of Blue Dart's World CSR Day was inaugurated by Padmashree Dr. Prakash Baba Amte; Yogesh Dhingra, CFO & COO, Blue Dart; Belinda Tan, Head of Corporate Communications and Responsibility, APEEMEA, Deutsche Post DHL; Koichi Kaneda, Senior Director - CSR, Takeda Pharmaceutical Company Ltd. and Dr. Massouda Jalal, Former Minister of Women, Founding Chairperson, Jalal Foundation, Afghanistan. This year's edition of Blue Dart's World CSR Day was centred on the theme 'What Next' and covered topics like Sustainable and Responsible Business, Inclusive Development, Corporate Governance and Emerging Paradigms of CSR.

The event began with an inspiring talk by Ramon Magsaysay Award winner Padmashree Dr. Prakash Baba Amte. Notable dignitaries from across 86 countries enlightened the minds of people with their insights at the enriching panel discussions on latest developments and emerging issues and trends and innovative practices in CSR.

The sessions saw participation from leading organizations committed to driving better sustainability practices which included Magic Bus, Teach For India, Lockheed Martin, Capgemini, Essar Infrastructure Zimbabwe Pvt Ltd, Fuji Xerox Asia Pacific Pte. Ltd, Frost and Sullivan, Johnson & Johnson, Renault, Sanofi and several others.

In its 5th year, Blue Dart World CSR Day has become an interesting platform for people from across the world to connect, ideate and share innovative approaches and best practices in CSR and sustainability. Blue Dart believes that such initiatives cannot depend on reluctant stakeholders and it's up to each one of us as a socially conscious company to play a role in building a sustainable future for the generations to come. To this end, we have implemented the Deutsche Post DHL group's sustainability strategy of 'Living Responsibility' which includes the 3 pillars of GoGreen, GoHelp and GoTeach.

### Blue Dart Global CSR Excellence & Leadership Awards

The 5th Blue Dart World CSR Day culminated into the Blue Dart Global CSR Excellence & Leadership Awards. The event was graced and awards given away by Yogesh Dhingra, Belinda Tan and Dr. Bhaskar Chatterjee, Director General & CEO, Indian Institute of Corporate Affairs.

Blue Dart Global CSR Excellence & Leadership Awards recognized contribution across categories such as best corporate social responsibility practices, best environment friendly project, developing sustainable strategies, diversity & human

resource, accounting for climate change, carbon footprint accounting, community development, women empowerment, concern for health, poverty alleviation, best corporate & financial reporting and many more.

The jury members for the awards included Ketan Kulkarni, Head - Marketing, Corporate Communications & Sustainability; Santanu Mallick, Sr. Vice President - Projects & Head - CSR, Lafarge India Pvt. Ltd; Arun Nalavadi, Head Sustainability - Corporate Sector, Magic Bus; Dr. Sarika Kulkarni, Head CSR, IIFL Foundation; Roma Balwani, President - Group Sustainability, CSR & Communications, Vedanta Ltd and Anirban Ghosh, Vice President - Group Sustainability, Mahindra & Mahindra Ltd.



# Sustainability at Blue Dart



## GoTeach

### Blue Edge: Empowering Lives

#### 1,015 Lives impacted so far

At Blue Dart we are committed in letter and spirit to making a difference to the environment and communities around us. Under the GoTeach pillar of Living Responsibility, Blue Dart aims to provide equal educational opportunities for the underprivileged and marginalised communities around us.

Blue Dart in association with Oasis India (NGO) started an initiative called 'Blue Edge: Empowering Lives' which is aimed at enriching the lives of young adults from difficult environments, who have not been able to complete their education. The program was started in Mumbai and now has two additional centres in Chennai and Bengaluru. This year Blue Dart has opened two more centres in Delhi (in association with Noida Deaf Society for hearing impaired youth) and in Kolkata (in association with Hope Kolkata Foundation). This life-transforming programme has helped in impacting young adults from the underprivileged sections of society. We also ensure that every batch has a healthy mix of girls and boys. This project focuses on educating the underprivileged, who have not been able to complete their education - bettering their chances of finding employment and guiding them to lead a more accomplished life.

The programme is designed to educate the impoverished youth about the possible employment opportunities, while equipping them with relevant skill sets, thus enabling them to make informed choices and most significantly bring stability into their lives. It helps young adults aged 18 - 24 years old to break the chains of poverty and unemployment, by providing the much needed edge in this competitive world. The beneficiaries are being trained on :

- English speaking, reading and writing
- Basic computer usage skills, in mastering technical software skills such as Word processing, PowerPoint & Spreadsheet
- Developing resumes and cover letters for employment
- Life skills, such as Health and Hygiene, Social Responsibility, Goal-Setting, and Teamwork/Co-operation among others
- Customer Orientation, such as Customer Care and Responsiveness
- Indian Sign Language (in Delhi only)

Students who have successfully completed their course are felicitated at a Graduation Ceremony held at Blue Dart. Senior management team members of both Blue Dart and DHL are invited for the occasion, to share their life experiences with the students and advise them on leading a meaningful life. This is followed by a certificate handover ceremony, in which all successful students are handed over their graduation certificates and the best performers in each batch are

acknowledged with a special certificate and trophy as a token of appreciation for their hard work and dedication.

This year Blue Edge: Empowering Lives Program's total number of beneficiaries crossed the 1,000 mark with the graduation ceremony of Blue Edge, Mumbai batch. Yogesh Dhingra, CFO & COO, Blue Dart was the chief guest at the ceremony. He was accompanied by Ketan Kulkarni, Head – Marketing, Corporate Communications & Sustainability along with other members of Senior Management Team. The total number of beneficiaries impacted through this program till date in the three centres of Mumbai, Chennai & Bengaluru together has now reached to a total of 1,015 students.

Also, new computer Lab and IT set up has been done at Mumbai and Chennai centres. Mumbai centre's interiors have been completely redone which include wall painting, vinyl flooring, modular false ceiling, running table without pedestal, bison board panelling, one-way film on glass windows, tarring for roof, debris removing, flex & sun board posters.

On 23rd July 2015, Christof Ehrhart, Head of Corporate Communications & Responsibility & Executive Vice President, Deutsche Post DHL visited Blue Edge: Empowering Lives, Mumbai to spend quality time with the beneficiaries of the program, along with Belinda Tan, Vice President - Corporate Communications & Responsibility, DHL AP EEMEA and Amanda de Silva, Manager - Corporate Communications & Responsibility, DHL AP EEMEA. The team, through an

# Sustainability at Blue Dart



interactive session, motivated the students by sharing their success stories. Christof shared his personal experience and encouraged these young adults to overcome all hurdles in life. The students were completely thrilled and inspired. The current and previous batch students also shared their learning experience at Blue Edge and expressed how the program has helped them transform their lives. One of the students expressed her thankfulness towards the program which helped her to cope with her daily life, making her confident, independent and self-made. An alumnus of Blue Edge who is now placed at Blue Dart spoke about the program and its relevance in his current job profile. The program closed with distribution of some goodies and refreshments.

## Blue Edge: Empowering Lives in Delhi

Blue Dart in its endeavor to start Blue Edge: Empowering Lives program in Delhi and to enable the disadvantaged hearing impaired youth of the city, has partnered with Noida Deaf Society (NDS) to implement this program in Delhi.

NDS will focus on the hearing impaired youth of Delhi who belong to the marginalized communities, have no access to a formal education system and struggle to lead a dignified life. Blue Edge program will provide the necessary vocational training and skill development to them to enhance their employability skills so they can lead an honorable life.

The program will provide pre vocational and vocational training to 80 youths aged between 16-30 for one year on Indian Sign Language,

General Knowledge, Typing Skills, Life Skills, English Comm., MS Office, Work place Readiness & Internet.

This program aims to empower the hearing impaired youth to lead a self - reliant life in the future and contribute proactively to the society. Noida Deaf Society is a not for profit organization by Ruma Roka which enables and empowers the deaf youth by providing them learning opportunities by making education accessible to them.

## Blue Edge: Empowering Lives in Kolkata

Blue Dart has partnered with Hope Kolkata Foundation (HKF) to start Blue Edge: Empowering Lives program in Kolkata to empower the young adults of the city belonging from difficult, unstable and disadvantaged backgrounds.

This professionally designed vocational training will be provided to the young adults who had no access to training from educational institutes in the past as they do not possess the required educational pre - requisites due to certain financial and various other constraints in their lives.

HKF will focus on these young needy youths aged between 15-25 years, based in slum areas of Kolkata. A total of 90 youths will be trained for one year on Basic Computer, Advanced Computer, English, Life Skills & Customer Orientation. This program will not only enhance their employability skills but also empower the youth to pursue their studies ahead in the right direction.

This project is based on a practical approach

which makes it innovative. The beneficiaries are exposed to a hands-on system of instruction, set in a real-life scenario, keeping in mind their lack of literacy skills.

Hope Kolkata Foundation works for the holistic care and development of underprivileged children and communities in India in order to secure their human rights, empowering them to be the drivers of their own sustainable change.





# Sustainability at Blue Dart



## Teach for India (TFI)

Within the GoTeach programme, our partnership with Teach for India (TFI) that kicked off in 2011 is a major initiative. TFI is a nationwide movement of outstanding college graduates and young professionals who teach full time in low income schools for two years. The Fellowship enables them to become lifelong leaders advocating for educational equity. Since the kick off in 2011, we have had a highly successful relationship enabling Blue Darters to volunteer in several activities that benefited more than 300 classrooms comprising of over 12,000 students in TFI schools across 7 cities in India - Mumbai, Pune, Delhi, Hyderabad, Chennai, Ahmedabad and Bengaluru.

Through the partnership, DHL – Blue Dart share Teach for India's vision that one day, all children will attain an excellent education. This lies in stark contrast to the situation today, wherein few students pass through the system, and most of those that do, receive a highly inadequate education.

Through this effort, we imagine millions of children becoming change-makers that will drive India forward. That's what we're working towards - a day when we can empower every human being with a choice. Because that's what every child deserves.

Teach For India's mission is to build a movement of leaders who will end educational inequity.

DHL Express conducted a Computer Training Workshop for several batches of TFI Fellows and Students. The workshop engaged over 20 TFI school kids aged between 10-12 years and six TFI Fellows.

DHL – Blue Dart regularly conduct First Choice workshops and other quality and process enhancing science-based programs for TFI. First Choice is the philosophy and approach in continuous improvement to drive service quality and to simplify our customers' lives and is witnessed by participation across functions and hierarchy. The workshops also covers 5S, a powerful and simple lean tool for organizing one's workplace in a clean, efficient and safe manner to enhance productivity, visual management and to ensure the introduction of standardized working. All programs are customized to suit the need of TFI, its Fellows and students.

DHL – Blue Dart also offer its employees an opportunity to volunteer time and conduct activities like poster competitions, essay writing and storytelling with TFI supported schools during Global Volunteer Day, DPDHL's annual volunteering event aimed at creating an impact on the environment and communities around us.

Apart from this, DHL – Blue Dart also undertake various other initiatives to improve and upgrade the infrastructure at TFI schools including classroom painting, organize stationery drives and Leaders Week. DHL-Blue Dart also provide TFI with logistics support and assist in distribution and delivery of exam papers in several locations in Mumbai.

DHL-Blue Dart's partnership with Teach For India is a commendable example of excellent corporate – NGO collaboration which reflects the commitment of not only all DHL - Blue Dart employees but also the passion of the TFI Fellows and their team, who together work

to provide equal educational opportunities to India's less privileged children.

On 23rd July 2015, Christof Ehrhart made a visit to TFI supported Mohili Municipal Public School in Mumbai along with Belinda Tan and Amanda de Silva. As part of the close association with TFI under our GoTeach initiative, a fun filled drawing competition was organized for the children of classes II, III & IV. The competition was also open to non TFI classes. A total of 150 young students participated in the competition showcasing their talent with great zeal and enthusiasm. The team also interacted with the young ones, encouraging them to participate in extracurricular activities leading to overall development. The little wonders also put up impromptu performances for the team. The day concluded with the distribution of prizes by Christof to the young winners of the competition along with some refreshments.



# Sustainability at Blue Dart



## Agastya Foundation

Blue Dart in association with Agastya International Foundation inaugurated the Mobile Science Lab project in October 2015 by launching the first Blue Dart - Agastya Mobile Science Lab van in Delhi. Ketan Kulkarni, Head - Marketing, Corporate Communications & Sustainability, Blue Dart inaugurated the Mobile Van in a Indian traditional coconut breaking as well as a ribbon cutting ceremony along with Subrato Roy, Senior Manager – Marketing, Blue Dart. The Mobile Science Lab Van was launched at the Agastya International Foundation Science Center in a Government School in Gurgaon, Haryana.

The van travels to government schools of New Delhi/NCR area to reach out to disadvantaged children to teach them new ways of learning in the classroom and spark their innate creativity. The aim is to establish a model Science Centre based on interactive, as opposed to passive learning. At the same time, the children and the teachers are motivated and trained to become change agents.

Overall, the program has impacted 3,941 students and 20 teachers in 20 government schools, so far.

Multiple sessions are conducted on school days by the instructors, teaching the students topics such as light, astronomy, electricity, reflection, energy conservation, inertia etc.

In addition to the regular school visits, the Mobile Lab also conducts science fairs, young instructor training, government school teachers' training & community visits where children & adults who don't have access to a formal education have a chance to learn.

This year Blue Dart has also extended this program in Ahmedabad. The mobile science lab will travel to government schools in Ahmedabad to supplement their school system with experiential science learning. Hands on science sessions will be conducted every month by the instructors of the mobile science lab using models covering a wide range of topics in Physics, Chemistry and Biology for class 5 through 10. The mobile Science Lab will also conduct science fairs, teacher training sessions, train young instructors and reach community members through night community visits.

Agastya International Foundation is a non - profit charitable education trust that runs the world's largest mobile hands-on science education program for economically disadvantaged children and teachers. Through all its programs, Agastya has reached over 6 million children and 2,00,000 teachers in 16 states in India.

## Magic Bus

Blue Dart in its efforts to develop sporting talent in less privileged communities in India runs the Blue Dart Sports Excellence Football Program in Kolkata and Blue Dart Sports Excellence Kabaddi Program in Bhiwandi in association with Magic Bus India Foundation. Under this program a special coaching in Football and Kabaddi is given to children from marginalized communities below 14 years of age.

Children from these communities are deprived of opportunities to explore their talent in sports. Under this project, boys and girls are encouraged & given equal opportunities to

develop their talent in Football and Kabaddi. The children undergo pre-test to gauge their needs. Regular Football and Kabaddi training sessions along with a nutrition plan is provided. The parents of the children are met regularly to update and motivate them to send their children to the training sessions and also to support the children to complete their school.

Apart from the regular training sessions in Football and Kabaddi, Magic Bus regularly conducts leadership training programs, exposure visits, specialised training camps, internal practice tournaments, post-test, inter school tournaments and local tournaments for the beneficiaries to ensure a holistic and sustainable development. A total of 170 children are impacted through this initiative.

Blue Dart Sports Excellence Football Program has been implemented in 5 slums in Motijhil, Kolkata with a total of 80 students.

Blue Dart Sports Excellence Kabaddi Program has been implemented in 3 villages of Bhiwandi Taluka of Thane district, Maharashtra with a total of 90 students.

Magic Bus India Foundation is a pioneer and leader in harnessing and deploying the power of sports, as a developmental tool to bring about lasting and positive personal and social development of children and youth from marginalized communities, which empowers them to make informed choices about their livelihood options.



# Sustainability at Blue Dart



## Enactus India

Blue Dart in partnership with Enactus India supports twenty college teams across the Country. These young people use business and economic concepts, an entrepreneurial approach to work towards poverty alleviation and livelihood enhancement for the less privileged sections of people in India and thereby set up a sustainable project for them.

In July 2015 Enactus India conducted the Enactus National Competition at Hotel Leela Ambience, Gurgaon where 56 teams from prestigious colleges across India including the 20 teams supported by Blue Dart competed with each other to emerge as the Enactus India winner who would then represent India at Enactus International in Johannesburg, South Africa.

Sukhwinder Singh, Regional Head - North, Barttanu Das, Head - Human Resources & Ketan Kulkarni, Head - Marketing, Corporate Communications and Sustainability, were amongst the esteemed jury members of the competition. 3 Blue Darters were also present in the capacity of League Coordinators to facilitate the leagues in the competition.

These 20 Blue Dart funded college teams work on social upliftment projects focusing on three major areas – Women Empowerment, Waste Management & Sanitation.

## KaRe

Under the Living responsibility pillar of GoTeach, Blue Dart supports KaRe to conduct learning programs for disadvantaged children in schools of Pudupattinam and in Nagapattinam Districts in Tamil Nadu.

## GoGreen

### Power Saver: Lights Off

Blue Dart practices Lights Off for an hour between 1pm – 2pm on the last Saturday of every month across all its offices in India. Employees are encouraged to switch off the lights at their residence between 8.30pm to 9.30pm on the same day.

### Earth Hour 2016

Blue Dart celebrated Earth Hour on 19th March 2016 by encouraging all Blue Darters to pledge to switch off all the lights for an hour in office and for one hour at home. A total of 669 Blue Darters pledged to switch off all lights for one hour on Earth Hour. This was the best ever response till date. The activity was also promoted on Blue Dart's social media platforms by posting illustrative messages related to the environment.

### Earth Day 2015

Blue Dart celebrated Earth Day by circulating mailers on Environment awareness & its Dos & Don'ts. Posts were also put up on Blue Dart's official Facebook Page creating awareness amongst our fans.

### World Environment Day 2015

Blue Dart HQC celebrated World Environment Day with children of employees. Every child was given a sapling and asked to plant it and nurture it. Awareness was created on Do's & Don'ts to maintain a sustainable environment.

A session on 'GoGreen - Save the Environment' was organized by Valini Dsouza, Manager - PR, Corporate Communications & Sustainability, Blue Dart.

## People for Environment Conservation

Blue Dart has generously contributed towards the cleanliness drive organized by People for Environment Conservation at the Santala Devi Temple in Dehradun. The volunteers of this mission clean and green the area and spread awareness amongst the locals to keep the area clean & beautiful.

## GoHelp

### HelpAge India

Blue Dart under its Living responsibility pillar of GoHelp initiated this project in association with HelpAge India. 667 Cataract Operations have been successfully conducted with Intra Ocular Lens Implantation to the needy elders in and around Mumbai, Thane and Palghar districts in Maharashtra.

A total of 15 camps in different locations were conducted by HelpAge India where close to 2,500 old aged people attended the eye check-up camps. Out of these, 272 old aged males and 395 old aged females underwent cataract surgery.

The elderly beneficiaries of this program are so touched as they are now able to see clearly and are not dependent on anyone. They are now able to work in the agriculture field and generate income on their own without support of others.

# Sustainability at Blue Dart



This year, Blue Dart has again partnered with HelpAge India to conduct 1,000 Cataract Operations in Mumbai, Thane and Palghar districts. The operations will be conducted with Intra Ocular Lens (IOL) Implantation using Manual Small Incision Cataract Surgery (MSICS).

HelpAge India which is a leading NGO, established with a mission “to work for the cause and care of elderly persons and to improve their quality of life”. It works for the cause and care of disadvantaged older people and improve their quality of life.

## St. Jude India ChildCare Centres

Blue Dart under the Living Responsibility pillar of GoHelp has partnered with St. Jude India ChildCare Centres by taking up the entire capital expenses of one Child Care Center in Mumbai which comprises of 12 units. Free of cost shelter & various other facilities will be provided to children suffering from cancer and their families who come from all parts of India to gain access to low cost cancer treatment at Tata Memorial Hospital.

In major cities of India where low cost cancer treatment is available, children who need treatment for cancer come to hospitals along with their parents from distant towns and villages. The hospitals do not treat them as in patients during the long drawn out treatment and these needy families do not have a place to stay whenever the child is not admitted to hospital. At their centres spread across 5 cities in India, St Jude provides support to such families by providing them free of cost

shelter, nutritional support, educational and recreational activities, transportation to and from the hospital, art based therapy, music therapy, yoga, counselling for the family and new skills for income generation.

## Urban Health Resource Centre

Blue Dart has partnered with Urban Health Resource Centre (UHRC) under the Living Responsibility pillar of GoHelp for conducting awareness on preventive health, sanitation and education for the urban poor residents in Indore, Madhya Pradesh.

The various activities which shall be conducted under this project are -

- Hygiene promotion through demonstration / awareness sessions
- Awareness rally on clean drinking water
- Strengthening mobile library and encouraging use of library
- Stimulating education activities for disadvantaged children
- Team work enhancing activities

Urban Health Resource Centre is a non-governmental organization that addresses health, nutrition and wellbeing of the disadvantaged urban dwellers through demonstration programmes, technical support to government and non-government sectors, research, advocacy and knowledge dissemination through a consultative and partnership based approach.

## FOC Activities

Blue Dart also extends assistance to various NGOs by providing free of cost logistics support to them. We stretch our hand to help in the best possible way to support NGOs that work for the elderly, less privileged children, disabled people, those providing relief materials in disaster hit areas and many more noteworthy causes.

This year Blue Dart provided FOC logistics support to NGOs like Concern India Foundation, Goonj, Oasis India, Teach for India, Enactus India & Ability Foundation.





# Awards & Accolades



**Cargo Service Provider of the Year and Supply Chain Visionary of the Year**  
Blue Dart and Anil Khanna of Blue Dart Express Ltd.



The list of the awards received for the year 2015-16.

## Brand / Customer Service / Retail / Loyalty

- Ranked at 81 in Business World – Fastest Growing Companies – The Welter Weights (₹ 1,000 cr to ₹ 4,999 cr)
- Air Cargo Terminal Operator – ICC Supply Chain & Logistics Excellence Awards 2016
- Effective Retail through Supply Chain Award by the Asia – Africa GCC Awards for Retail Excellence
- Best Customer Service in Logistics at the National Awards for Excellence in Customer Service
- Best India Investment 2016 by APAC Insider Investment Awards
- Recognized as the 'Express Cargo Service Provider' by ET Logistics Awards (Knowledge Partner KPMG)
- Voted as a Superbrand for the 8th consecutive year by Superbrands
- Brand Excellence Award in Logistics Sector by ABP News Brand Excellence Awards
- Reader's Digest Most Trusted Brand – Gold
- Listed as one of India's Super 50 Companies by Forbes India
- Ranked at 116 in BT 500 – India's Most Valuable Companies 2015, up from 143 in 2014

- Ranked at 393 in ET 500, 2015, up from 411 in 2014
- Best Courier & Package Distribution Company 2015 - India at the Business Awards 2015, hosted by Wealth & Finance International, UK
- Best Express Service Provider of the Year - Domestic at the 9th Express, Logistics & Supply Chain Leadership Awards
- India's No. 1 Brand by No. 1 Brand Awards 2015
- Exemplary Position in Supply Chain and Logistics in Express/Courier Category by Supply Chain & Logistics Excellence (SCALE Awards)
- Deutsche Post honors Blue Dart with Team Award International Asia for Last Mile B2C

## Individual Awards

- Global HR Excellence Awards - Lifetime Achievement Award – Anil Khanna – World HRD Congress
- Supply Chain Visionary of the Year - Anil Khanna – ET Logistics Award (Knowledge Partner KPMG)
- Anil Khanna felicitated with an award at The Global Leadership Research Conference 2016 for his contribution to Logistics sector
- Lifetime Achievement Award – Anil Khanna – by LOKMAT Corporate Excellence Awards

- CFO of the Year & one of the Most Influential CFOs of India – Yogesh Dhingra - by Chartered Institute of Management Accountants (CIMA)
- Recognized as one of the Top 100 Upcoming Finance Leaders of India Inc. - Aneel Gambhir - at the Fourth Annual CFONEXT100 2015 Award
- Recognized as one of 100 Most Impactful CSR Leaders - Global Listing - Ketan Kulkarni – at World CSR Congress
- Awards for Retail Excellence - Retail Leadership Award - Ketan Kulkarni - at Asia Retail Congress
- Marketing Professional of the Year – Ketan Kulkarni - at the 10th Indy's awards
- CISCO Sustainable Leadership Award – Ketan Kulkarni – India Sustainability Leadership Summit & Awards

## Human Resources

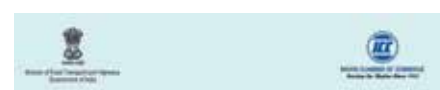
- Recognized as one of Top 25 Employers in India by Aon Hewitt
- Blue Dart was honored with the prestigious Global HR Excellence - Organization with Innovative HR Practices award at the World HRD Congress

## Sustainability

- Blue Dart was awarded the Best Corporate Social Responsibility Practices award at the 10th Indy's Awards



- Rotary Club of Mumbai Malabar hill felicitates Blue Dart (For setting up of The Blue Dart Centre with Tata Memorial Hospital for cancer stricken children)
- The Lions CSR Precious Award was awarded to Blue Dart by The International Association of Lions Club.





## DIRECTORS' REPORT

### To the Members,

Your Directors have great pleasure in presenting the Twenty Fifth Annual Report of your Company for the financial year ended March 31, 2016.

### FINANCIAL RESULTS

(₹ in Lacs)		
Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenues		
Service Charges	255,386	226,850
Other Income	2,829	2,448
Less : Operating Expenses	222,154	204,467
Operating Profit (EBIDTA)	36,061	24,831
Less : Interest Cost (Net)	3,114	1,121
Depreciation/Amortisation	3,970	4,354
Profit before tax	28,977	19,356
Less : Provision for Income tax	9,989	6,672
Profit after tax	18,988	12,684
Profit and Loss Account balance brought forward	16,694	50,721
<b>Profit available for appropriation</b>	<b>35,682</b>	<b>63,405</b>
Appropriation:		
Interim Dividend	-	33,219*
Proposed Dividend	7,118	4,746
Transfer to Debenture Redemption Reserve	2,333	972
Dividend Distribution Tax	1,470	7,774
	<b>24,761</b>	<b>16,694</b>

\*Note :

In the year 2014-2015, the Company had issued and allotted 166,095,538 Series I, 94,911,736 Series II and 71,183,802 Series III, Unsecured Redeemable Non-convertible Fully Paid Bonus Debentures of ₹ 10 each, aggregating to ₹ 33,219 lacs to its shareholders by

appropriating Surplus in the Statement of Profit & Loss through a Scheme of Arrangement approved by the Hon'ble High Court of Mumbai and other Statutory authorities.

### REVIEW OF PERFORMANCE

Your Company posted a profit after tax of ₹ 18,988 lacs for the year ended March 31, 2016 as compared to ₹ 12,684 lacs for the year ended March 31, 2015. Income from operations for the year ended March 31, 2016 was ₹ 255,386 lacs as compared to ₹ 226,850 lacs for the year ended March 31, 2015.

With an optimised dedicated air and ground network coupled with cutting-edge technology, your Company continues to be South Asia's premier air and integrated transportation, distribution and logistics Company. It also offers a wide range of innovative and simplified solutions across industry verticals. Your Company's commitment to deliver excellent service quality, high customer satisfaction and innovative methods to enhance its service offerings, has been persistent.

Your Company is the undisputed market leader in organised air express and a leading player in organised ground express and has been servicing the e-tailing industry ever since its emergence in India. Your Company has commenced operations at its e-fulfillment centres at Delhi NCR (Gurgaon) and at Bengaluru specifically for the e-tailing industry.

Your Company has an impeccable service record driven by a motivated and passionate team, the testimony for which rests in the numerous awards bestowed on the Company over the years. As a responsible corporate entity, your Company continues to focus on environmental and social responsibilities.

Your Company has invested extensively in technology infrastructure to create differentiated delivery capabilities, quality services and customized solutions for the customers. Your Company's Information Technology remains one of its key differentiators. The use of technology has minimized cost and innovative offerings have driven successful efforts of the Company to provide Indian customers high quality service.

In 2015, your Company introduced Blue Dart's Facebook page, Twitter handle and further enhanced its presence on Google+ and YouTube and thereby strengthened its vision on Blue Dart's Digital Transformation.

Your Company is also the first and the largest Express Company in India with dedicated air services through a fleet of six Boeing 757 - 200 freighters in the seven main metros of India, operating at night to allow for late cut-offs and early deliveries. In March 2016, your Company added its 6<sup>th</sup> Boeing 757-200 freighter, re-emphasizing its commitment as an express logistics backbone and trade facilitator to the country.

Your Company continues to focus on innovation, reach expansion, transit time improvements, small towns (Tier-II and III) activation,

## DIRECTORS' REPORT

strengthening channels to enhance market share and strives to keep delivering beyond expectations of stakeholders.

Your Company is certified to the ISO 9001 standards since 1996 and successfully re-certified itself in September 2014 for 3 years to the new global ISO 9001-2008 standards for “design, management and operations of the countrywide express transportation and distribution services within the Indian sub-continent and international destinations serviced through multinational express companies.”

Your Company continues to drive “First Choice” and “Net Promoter Approach” (NPA) initiatives.

### DIVIDEND

After analysing the Company's financial position and keeping in mind the future growth and expansion plans, your Directors are pleased to recommend a Dividend of ₹ 25/- (Rupees Twenty Five) per equity share and the one time Special Dividend of ₹ 5/- (Rupees Five) per equity share on the occasion of 25<sup>th</sup> Annual General Meeting, aggregating to ₹ 30/- (Rupees Thirty) per equity share, for the year ended March 31, 2016, subject to necessary approval by the Shareholders at the Annual General Meeting of the Company.

The Dividend on Equity shares, once approved by the members at the ensuing Annual General Meeting, will sum upto a total of ₹ 8,567 lacs (including Dividend Distribution Tax) resulting into a payment of 45.1% of the unconsolidated profits as compared to total dividend (including deemed dividend and Dividend Distribution Tax thereon) of ₹ 45,760 lacs in the previous year.

### INTEREST ON DEBENTURES

During the year, Company paid Interest on Unsecured, Redeemable, Non-Convertible, fully paid up Debentures aggregating to ₹ 3,113 lacs.

Details of the unsecured, redeemable, non-convertible, fully paid up Debentures issued by the Company are as under:

Particulars	Series I	Series II	Series III
Issue price	₹10/-	₹10/-	₹10/-
No. of debentures	166095538	94911736	71183802
Rate of Interest	9.3% p.a.	9.4% p.a.	9.5% p.a.
Period (Tenure)	36 months	48 months	60 months
Date of Redemption	November 20, 2017	November 20, 2018	November 20, 2019

The Company has appointed M/s. Axis Trustee Service Ltd. as Debenture Trustee.

### TRANSFER TO DEBENTURE REDEMPTION RESERVE

During the year, the Company has created provision of ₹ 2,333 lacs (previous year - ₹ 972 lacs) in respect of Unsecured, Redeemable, Non-Convertible, fully paid up Debentures issued in November 2014

aggregating to ₹ 33,219 lacs in accordance with the requirements of the Companies Act, 2013.

### OPERATIONS REVIEW

Your Company is South Asia's premier air and integrated transportation, distribution and logistics Company, offering secure and reliable delivery of consignments to over 34,683 locations in India. As part of DPDHL Group, your Company accesses the largest and most comprehensive express and logistics network worldwide through DHL, covering over 220 countries and territories and offers an entire spectrum of solutions.

Your Company is a flexible, innovative and an agile organisation offering solutions to all sectors across the express logistics supply chain in the country, be it the traditional businesses such as Banking, Financial Services and Insurance (BFSI), IT, Automotive, Pharmaceuticals etc. or new age opportunities like e-tailing.

Your Company has always pioneered solutions for the industry which have become benchmarks for others to follow.

Your Company has an unmatched infrastructure, extensive reach, a fleet of six Boeing 757-200 freighters with capacities up to 504 tonnes per night, a flotilla of over 9,185 vehicles, 515 facilities and over 10,000 committed and trained Blue Darters driven by a unified passion of delivering service excellence and value.

Your Company carried over 1,594.79 lacs domestic shipments and over 8.94 lacs international shipments weighing more than 595,623 tonnes during the financial year ended March 31, 2016.

### FACILITIES / INFRASTRUCTURE

During the year, your Company added 45 new and additional facilities and 17 replacement facilities taking total number of facilities to 515, with a total area of over 2,982,637 sq.ft. across the country including 36 central processing units for e-tailing shipments. The Company has also set up and added hubs at various locations viz; Turbhe, Kandivali, Vapi, Bhopal, Velappanchavadi, Uppal, Kona, Jaipur etc. Your Company plans to further strengthen and consolidate its infrastructure, both air and ground.

### AVIATION SYSTEM

The Company has an ACMI Contract with India's first and only cargo airline, Blue Dart Aviation Limited (BDAL), a subsidiary company for dedicated air carriage capacity which has ensured strong support in sustaining Blue Dart's leadership position through its unique network with a fleet of six Boeing 757-200 aircraft.

During the year, the Company has increased its stake in BDAL from 49% to 74%, and consequently BDAL has become a subsidiary of your Company. The Company has received repayment of ₹ 3,208 lacs (Previous year ₹ 6,943 lacs). As at March 31, 2016, the outstanding loan balance is, ₹ 9,348 lacs (Previous year ₹12,556 lacs) of which ₹ 3,911 lacs (Previous year ₹ 3,208 lacs) is receivable within 12

## DIRECTORS' REPORT

months of balance sheet date. The loan carries an interest computed at an average 'base' rate of IDBI Bank and ICICI Bank with an interest re-set bi-annually.

During the year, BDAL operated 294 day flights in addition to the scheduled night operations to handle additional loads within limited resources and significantly contributed to your Company's operations. BDAL has also augmented its existing fleet of five Boeing 757-200 freighters with an addition of one Boeing 757-200 in March 2016, to meet the growing demand and improve upon service quality.

BDAL has delivered an 'On Time Performance' of 89.79% and 'Technical Dispatch Reliability' of 99.46%, which is the best in the industry despite an average fleet life of 21 years.

### FINANCE

Your Company's financial position continues to be strong with an adequate liquidity to meet the Company's strategic objectives.

### CASH FLOWS

During the year, the Company has generated robust net cash of ₹ 27,001 lacs from its operations as against ₹ 15,335 lacs in the preceding financial year. This cash was partially deployed in the Capital Assets, Strategic Investments, Debt Servicing and for payment of dividend during the year.

### WORKING CAPITAL MANAGEMENT

Despite a challenging, uncertain and adverse Global and Local macroeconomic scenario, your Company continues to manage its working capital efficiently, which is considered to be the best in the industry and within the benchmarks laid by the DPDHL group.

Your Company efficiently utilized its surplus funds by investing into various high rated debt schemes (liquid category) of mutual funds / fixed deposits with Banks for optimum working capital management. Liquidity in the Balance Sheet requires to be balanced between earning adequate returns with covering financial risk. The Company's growth has been entirely fuelled through cash generation from operations which is adequate to support its working capital and capital expenditure requirements.

The Company's Earnings per Share (basic & diluted) for the year ended March 31, 2016 stood at ₹ 80.02 per share as compared to ₹ 53.46 per share for the previous year ended March 31, 2015.

### CREDIT RATING

Your Company continues to enjoy high credit quality rating for its Debentures and commercial paper programme / short-term debt programme:

1. ICRA Ltd. (an Associate of Moody's Investors Service) and India Ratings & Research Private Ltd. (a Fitch Group Company) have assigned "[ICRA] AA" (stable) rating and

"IND AA" rating respectively for Company's Unsecured, Non convertible Debenture of ₹ 33,220 lacs.

2. "[ICRA] A1+" (ICRA A one plus) assigned by ICRA Ltd. for the Company's commercial paper / short-term debt programme of ₹ 2,500 lacs (outstanding – Nil). The rating indicates very strong degree of safety regarding timely payment of short term instruments.
3. "ICRA AA" (stable) (ICRA double A) (long term rating) to the Company's Bank limits (working capital) of ₹ 3,615 lacs (including fund based and non- fund based limits). The rating considered to have high degree of safety regarding timely servicing of financial obligation carrying very low credit risk. ICRA also assigned "ICRA A1+" (ICRA A one plus) (short term rating) for the said limits. The rating indicates very strong degree of safety regarding timely payment of financial obligation carrying lowest credit risk.
4. IND "A1+" (IND A one plus) assigned by India Ratings and Research Private Ltd. for the Company's short-term debt programme of ₹ 3,000 lacs (outstanding – Nil), indicating the strongest capacity of timely payment of its financial commitments.

### SUBSIDIARY COMPANIES

During the year, after receipt of approval from the Foreign Investment Promotion Board (FIPB), the Company acquired 5,040,000 and 960,000 Equity Shares of Blue Dart Aviation Ltd. (BDAL) on June 22, 2015 and July 29, 2015 respectively and thereby enhanced its shareholding in BDAL from 49% to 74%. Consequently, BDAL became a subsidiary of the Company with effect from June 22, 2015.

The Audited Financial Statements for the year ended March 31, 2016 of Concorde Air Logistics Ltd., the Wholly-owned subsidiary company and of Blue Dart Aviation Ltd., the subsidiary company, to the extent of 74% shareholding of the Company into BDAL for the year ended March 31, 2016 together with the reports of Directors and Auditors, are attached.

The Statement containing salient features of the financial statements of the subsidiary companies in the prescribed format AOC-1 is appended as an 'Annexure A' to the Board's Report. The statement also provides the details of performance and financial position of subsidiary company.

The Consolidated Financial Results represents those of the Company and its wholly-owned subsidiary viz. Concorde Air Logistics Ltd. and subsidiary company viz. BDAL to the extent of 74% shareholding of the Company into BDAL. The Company has consolidated its results based on the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) in respect of Consolidation of Financial Statements (AS-21) and Accounting for Investments in the Associates in the Consolidated Financial Statements (AS-23).

Pursuant to requirements of Regulation 16 (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure



## DIRECTORS' REPORT

Requirements) Regulations, 2015, the Company has formulated 'Policy on determining Material Subsidiaries'.

The Policy is posted on website of the Company viz; [www.bluedart.com](http://www.bluedart.com).

The web link of the said Policy is [http://www.nseprimeir.com/z\\_BlueDart/files/Bluedart\\_PolicyonMaterialSubsidiary.pdf](http://www.nseprimeir.com/z_BlueDart/files/Bluedart_PolicyonMaterialSubsidiary.pdf).

### **DHL EXPRESS (SINGAPORE) PTE. LTD., PROMOTER SHAREHOLDER**

DHL Express (Singapore) Pte.Ltd., holds 75% of the Equity Capital of the Company. The acquisition of majority shares by DHL Express (Singapore) Pte. Ltd. in the year 2005 provides the Company and its customers with a firm strategic advantage. The combined service offerings of both the organisations cover the entire spectrum of distribution within India and between India and the rest of the world. Your Company's brand Blue Dart is a leading brand in the country with an unmatched domestic network, robust infrastructure and skilled personnel. DHL is an acknowledged global leader with a strong and long-standing presence in India. Together, both present a powerful backbone to business and support the "Make in India" mission.

In our efforts to constantly collaborate and optimise more with the support of our group Companies viz; DHL Express (India) Pvt. Ltd., DHL Supply Chain (India) Pvt. Ltd. and DHL Logistics Pvt. Ltd., the India Steering Committee made significant progress in the past year to maximise synergies amongst cross business functional units with the focus on improving infrastructure, service quality and cost efficiencies.

### **OUTLOOK FOR THE FUTURE**

The proposed Goods and Service Tax (GST) is expected to bring in more efficiency, reduce multiple taxes as and when implemented. Inter-state sales transactions would become tax neutral making entire country one single common market. Logistics companies would therefore see a major change in the areas of transportation of goods and location of warehouses, improved distances cover per day and consolidation of warehouses.

Your Company is optimistic about the growth of select sectors viz; life sciences and healthcare, automotive, consumer durables, banking & financial services, computer/IT, e-tailing etc. which are largely domestic consumption-driven. The Company will continue its focus on product innovation and service enhancements and registering good growth numbers by partnering in their growth. The SME sector is also a good avenue for growth and the Company has been extensively partnering the sector in its growth through customized products and solutions and increased connectivity to markets.

Your Company is geared to face challenges for the Year 2016-2017. Your Directors look forward to improved performance over the coming years.

### **AWARDS AND RECOGNITIONS**

Our innumerable efforts in pursuit of endless excellence were recognized throughout the year ended March 31, 2016 and our position

as an industry leader was only re-iterated by accolades received from several industry bodies and customers. Your Company won several awards which validate its Brand Equity, Leadership, Human Resource Philosophy, Customer Service, Retail and Corporate Social Responsibility and it is heartening to note that numerous industry bodies and customers validate our stupendous efforts.

Efforts made by your Company gained wide recognition. Your Company is benchmarked to international standards and has won several brand leadership awards viz; Recognized as one of 'Top 25 Employers in India' by Aon Hewitt, ranked at 81 in Business World – Fastest Growing Companies – The Welter Weights (₹ 1,000 Cr to ₹ 4,999 Cr), voted as a superbrand for the 8<sup>th</sup> consecutive time and Reader's Digest Most Trusted Brand Award for the 10<sup>th</sup> consecutive time, Air Cargo Terminal Operator at the ICC Supply Chain & Logistics Excellence Awards 2016, Effective Retail through Supply Chain Award by Asia – Africa GCC Awards for Retail Excellence, Best Customer Service in Logistics at the National Award for Excellence in Customer Service, Global HR Excellence - Organization with Innovative HR Practices' award at the World HRD Congress, Best India Investment 2016 by APAC Insider Investment Awards, 'Express Cargo Service Provider' by ET Logistics Awards (Knowledge Partner KPMG), Brand Excellence Award in Logistic Sector by ABP News Brand Excellence Awards, Best Courier & Package Distribution Company 2015 - India at the Business Awards 2015, hosted by Wealth & Finance International, UK., Best Express Service Provider of the Year - Domestic at the '9th Express, Logistics & Supply Chain Leadership Awards', India's No. 1 Brand by No. 1 Brand Awards 2015 and Exemplary Position in Supply Chain and Logistics in Express/Courier Category by Supply Chain & Logistics Excellence (SCALE Awards). Your Company was also recognized for its sustainability initiatives with awards such as Best Corporate Social Responsibility Practices' award at the 10th Indy's Awards, Lions CSR Precious Award 2016 by International Association of Lions Club and Rotary Club of Mumbai Malabar Hills felicitated the Company for generous contribution made to St. Jude India Child Care Centres in setting up of a cancer centre for children. The Company also featured in the Fortune 500 list of India's Largest Corporations, listed as one of India's Super 50 Companies by Forbes India, ranked at 116 in BT 500 – India's Most Valuable Companies, up from 143 in 2014, ranked at 393 in ET 500, up from 411 in 2014 and ranked at 302 in the BW Real 500 (Non-financial Companies), a study conducted by Business World and KPMG to name a few.

Mr. Anil Khanna, Managing Director, was conferred with several distinguished awards which include Life Time Achievement Award by LOKMAT Corporate Excellence Awards, Global HR Excellence Awards - Lifetime Achievement Award at World HRD Congress and Supply Chain Visionary of the Year by ET Logistics Award (Knowledge Partner KPMG) etc. He was also felicitated with an award at 'The Global Leadership Research Conference 2016' for his contribution in Logistics sector.

Mr. Yogesh Dhingra, CFO & COO, has been a recipient of several prestigious awards this year which includes CFO of the Year & One

## DIRECTORS' REPORT

of the Most Influential CFOs of India by the Chartered Institute of Management Accountants (CIMA), 'CFO India League of Excellence' by CFO 100, 'Best CFO of the Year' by [indiasgreatest.com](http://indiasgreatest.com) - The Greatest Corporate Leaders of India, 'CFO of the Year' by Thought Leader Awards and 'Best CFO of an MNC' (mid-sized companies) by 4<sup>th</sup> Business Today.

### DIRECTORS

During the year, Mr. Thomas Kipp (DIN: 06921955), CEO of DHL e-Commerce and Ms. Bettina Staffa (DIN: 06963668), CFO of DHL e-Commerce were appointed as Directors of the Company in the Annual General Meeting of the Company held on July 29, 2015.

Mr. Clyde Cooper (DIN: 00382001) tendered his resignation as a Director with effect from October 21, 2015. The Board of Directors accepted his resignation and placed on record the immense contribution of Mr. Cooper during his tenure with the Company for more than 32 years. The Board of Directors tendered its deep appreciation to Mr. Cooper and wished him the very best in all his future endeavours.

In accordance with the provisions of Companies Act, 2013, and Articles of Association of the Company, Mr. Malcolm Monteiro (DIN :00089757), Director, retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### NUMBER OF BOARD MEETINGS

The Board of Directors met 6 (six) times during the year ended March 31, 2016. The details of Board Meetings and attendance of Directors are provided in the Corporate Governance Report.

### AUDIT COMMITTEE

The Audit Committee comprises of three Non-Executive Directors, viz; Mr. Sharad Upasani, Mr. Malcolm Monteiro and Mr. Surendra Sheth.

The Chairman of the Committee is Mr. Sharad Upasani.

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the meeting of the Board of Directors of the Company held on April 15, 2016, the Board of Directors enhanced terms of reference and scope and functioning of the Audit Committee to align with the new requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Anil Khanna, Managing Director; Mr. Yogesh Dhingra, CFO & COO, the Statutory Auditors and Internal Auditor are permanent invitees to

the Audit Committee Meetings. Mr. Tushar Gunderia acts as secretary to the Committee.

### INTERNAL FINANCIAL CONTROL SYSTEMS

Your Company has in place sound internal control system to ensure that all assets are protected against loss from any unauthorised use and all transactions are recorded and reported correctly. The Company's internal control system is further supplemented by the internal audits carried out by an in-house internal audit team and co-sourced audit firm viz; KPMG. Well-established and robust internal audit processes, both at the business and corporate level, continuously monitor adequacy and effectiveness of the internal control environment across the company and status of compliances with the operating systems, internal policies and regulatory requirements. In addition to above, during the year, your Company engaged M/s. KPMG for review of the Internal control frame work and based on advice received from KPMG, Company has rolled out Risk Control Matrix for each of the processes.

### DOWNSTREAM INVESTMENT

As regards Auditor's Certificate on a downstream investment in the Indian subsidiary, the Company is in compliance with the FDI regulations and has obtained requisite certificate from the statutory auditors in this regard.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the provisions of Section 177 of Companies Act, 2013 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formalized the process and institutionalized 'Whistle Blower Policy' within the Company.

The Company engaged the services of KPMG Advisory Services Pvt. Ltd., renowned consultancy firm which has established Blue Dart Ethics Hotline. In terms of the policy, all suspected violations and 'Reportable Matters' must be reported to the Ethics Committee via Blue Dart Ethics Hotline. Ethics Committee comprises of Mr. Aneel Gambhir, Head - Internal Audit, Mr. Bartanu Das, Head - HR and Mr. Tushar Gunderia, Company Secretary & Head - Legal & Compliance. The Policy is applicable to all directors, employees, officers, customers, vendors and/or third party intermediaries such as agents and consultants whether appointed on permanent, temporary, full time, part - time, contractual, probation or on retainer basis and engaged to conduct business on behalf of the Company and its subsidiary companies. The Policy provides for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. None of the Whistle Blowers were denied access to the Audit Committee of the Board.

The Company has posted "Whistle Blower Policy" on its website viz; [www.bluedart.com](http://www.bluedart.com).

The web link of Whistle Blower Policy is <http://www.bluedart.com/WhistleBlowerPolicy>.

## DIRECTORS' REPORT

### FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to requirements of Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a familiarization programme for the Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Board Members are provided with all necessary documents / reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and the Board constituted committee meetings pertaining to business and performance updates of the Company, global business environment, business strategies and risks involved.

Directors attend training programmes / conferences on relevant subject matters and keep themselves abreast of the latest corporate, regulatory and industry developments.

The same has been posted on website of the Company viz; [www.bluedart.com](http://www.bluedart.com).

The weblink of familiarization programme is [http://www.nseprimeir.com/z\\_BlueDart/files/FamiliarisationProgramme.pdf](http://www.nseprimeir.com/z_BlueDart/files/FamiliarisationProgramme.pdf)

### CSR COMMITTEE

In accordance with the statutory requirements, your Company constituted CSR Committee on February 5, 2014. The CSR Committee of the Company comprises of Mr. Sharad Upasani as Chairman of the Committee and Mr. Anil Khanna and Mr. Malcolm Monteiro as members of the Committee.

CSR Committee along with CSR Implementation/Management Committee is responsible for formulating and implementing CSR Policy of the Company.

Mr. Yogesh Dhingra, CFO and COO is permanent invitee to the CSR Committee of the Board. Mr. Tushar Gunderia acts as Secretary to the Committee.

### CSR INITIATIVES / CSR POLICY

The Corporate Social Responsibility is an integral part of our strategy. We take our responsibility towards the society, community, employees and environment seriously. We want to make a positive contribution to our world by using our knowledge and domestic / global presence in a way that benefits people and the environment.

As an Indian company with a global outlook, we endeavor to maintain healthy balance between the economic, environmental and social interests.

Under the motto of "Living Responsibility", your Company (along with DPDHL) focuses its corporate responsibility on protecting the

environment (GoGreen), delivering help (GoHelp) and championing education (GoTeach). These are supported and complemented by the regional community initiatives which demonstrate voluntary commitment, special abilities and enthusiasm of employees from across India.

In accordance with the provisions of Section 135 of Companies Act, 2013 and Companies (CSR Policy) Rules, 2014, the Company has formulated and posted CSR Policy on website of the Company viz; [www.bluedart.com](http://www.bluedart.com).

The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, undertaken by the Company during the year is attached as 'Annexure B' to this Report.

### NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee comprises of Mr. Surendra Sheth as Chairman and Mr. Sharad Upasani and Mr. Malcolm Monteiro as members of the Committee.

Mr. Anil Khanna, Managing Director and Mr. Yogesh Dhingra, CFO and COO are permanent invitees to the Committee.

### NOMINATION & REMUNERATION POLICY

Pursuant to provisions of Section 178 of the Companies Act, 2013, the Board has, on recommendation of Nomination & Remuneration Committee, formulated a Policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of Companies Act, 2013.

Nomination & Remuneration Policy has been annexed to the Corporate Governance Report.

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Company re-aligned its existing 'Investors Grievance Committee' as 'Stakeholders Relationship Committee' with enhanced scope and functioning. The Stakeholders Relationship Committee comprises of Mr. Surendra Sheth as Chairman of the Committee and Mr. Anil Khanna as member of the Committee.

### RISK MANAGEMENT

The Company has constituted Risk Management Committee consisting of Mr. Narendra Sarda as Chairman of the Committee and Mr. Sharad Upasani, Mr. Anil Khanna, Mr. Surendra Sheth, Directors and Mr. Yogesh Dhingra – CFO & COO, Mr. Aneel Gambhir, Head – Internal Audit and Mr. Tushar Gunderia, Company Secretary, as Members of the Committee.

The Company has formulated Risk Management Policy which provides an overview of the principles of risk management, explain approach adopted by the Company for risk management, define the organizational structure for effective risk management, develop a "risk"



## DIRECTORS' REPORT

culture that encourages all employees to identify risks and associated opportunities and to respond to them with effective actions, identify, assess, manage and mitigate existing and new risks in a planned and co-ordinated manner with minimum disruption and cost, to protect and preserve Company's human, physical and financial assets.

The Risk Management Committee maintains comprehensive oversight on risks attributed to the organization and guides Management on activities, reviews results of risk assessment and mitigation plan development process, reviews and monitor operating of risk management process and reports to the Board of Directors on status of risk management initiatives and its effectiveness.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating measures on a continuing basis.

The Company has a process in place to inform the Audit Committee and the Board of Directors on risk assessment and minimisation procedures and periodic review is conducted in order to ensure that Management controls risk through defined framework.

### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Loans, guarantees or investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

### **PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES**

Related Party Transactions entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with the persons / related party(s) as defined under Section 2(76) of the Companies Act, 2013 which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were placed before the Audit Committee and the Board for approval.

Pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related party transaction with the Company's subsidiary viz; BDAL is a material transaction and has been placed before the shareholders for their approval at the ensuing Annual General Meeting for availing

services of BDAL pursuant to ACMI Agreement with effect from October 1, 2016 to September 30, 2017 and to continue existing transactions viz; Loans, Corporate Guarantees, Payload Deposit and Investment.

None of the Directors has any pecuniary relationship or transactions with the Company.

The particulars of contracts or arrangements with related parties as required under Section 134(3)(h) in prescribed Form AOC - 2 are annexed herewith as an 'Annexure C'.

The 'Policy on Related Party Transactions/Disclosures' as approved by the Board is posted on the Company's website viz [www.bluedart.com](http://www.bluedart.com)

The web link of 'Policy on Related Party Transactions/Disclosures' is [http://www.nseprimeir.com/z\\_BlueDart/files/Bluedart\\_RelatedPartyDisclosuresfinal.pdf](http://www.nseprimeir.com/z_BlueDart/files/Bluedart_RelatedPartyDisclosuresfinal.pdf)

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, your Directors confirm that;

- i. In the preparation of the Financial Statement, the applicable accounting standards have been followed and that no material departures have been made from the same.
- ii. 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 the Company at the end of the financial year and of the profit of the Company for that year.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down proper internal financial controls to be followed by the Company and that the financial controls were adequate and were operating effectively and
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### **BOARD EVALUATION**

Pursuant to provisions of Companies Act, 2013, Schedule IV and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

## DIRECTORS' REPORT

In line with effective governance requirements, the Board reviews its own performance annually using a pre-determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also the evaluation of Individual Directors. The self-assessment format considered performance effectiveness with regard to Board composition, expertise, dynamics, strategic oversight, risk management and internal control, succession planning and leadership.

While the individual directors' performance was reviewed by the Chairperson and rest of the Board excluding the Director being evaluated, the Chairperson's and Non-Independent Directors performance were appraised through feedback from the Independent Directors.

### AUDITORS

The Statutory Auditors, M/s. Price Waterhouse, Chartered Accountants, (Firm Registration no. 301112E), retire at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. Your Company has received necessary certificate from them confirming that, their re-appointment, if made, will be in accordance with the provisions of Section 139 of the Companies Act, 2013 and they satisfy the criteria provided under section 141 of the Companies Act, 2013.

The Board of Directors recommends re-appointment of M/s. Price Waterhouse, Chartered Accountants, (Firm Registration no. 301112E), as Statutory Auditors of the Company from conclusion of the Twenty Fifth Annual General Meeting upto a conclusion of next Annual General Meeting, subject to necessary approval by the shareholders of the Company at the ensuing Annual General Meeting.

The Auditors' Report for the financial year 2015-16, does not contain any qualification, reservation or adverse remarks.

### SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Nilesh Shah & Associates, Company Secretary in Practice, to undertake "Secretarial Audit" of the Company for the year ended March 31, 2016.

The Report of the Secretarial Audit Report is annexed herewith as an 'Annexure D'.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

### EXTRACTS OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT- 9 in accordance with Section 92 (3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, as amended, are annexed herewith as an 'Annexure E'.

### SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

During the year, Company executed Uniform Listing Agreement in accordance with the requirements of SEBI circular DCS/COMP/12/2015-16 dated October 13, 2015, with BSE Limited and National Stock Exchange of India Limited (NSE).

The Company's Equity Shares and Unsecured, Redeemable and Non-Convertible Debentures are listed on the BSE and NSE. The Company has paid its Annual listing fees to the stock exchanges for the Financial Year 2016-2017.

The Company formulated following Policies as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

1. 'Policy for Preservation of Documents' under Regulation 9 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. 'Archival Policy' under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The web link of 'Archival Policy' is;

[http://www.nseprimeir.com/z\\_BlueDart/files/Bluedart\\_Archival\\_Policy.pdf](http://www.nseprimeir.com/z_BlueDart/files/Bluedart_Archival_Policy.pdf)

3. 'Policy on Criteria for determining Materiality of events/information' under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The web link of the 'Policy on Criteria for determining Materiality of events/information' is;

[http://www.nseprimeir.com/z\\_BlueDart/files/Bluedart\\_Policy\\_for\\_determining\\_Materiality.pdf](http://www.nseprimeir.com/z_BlueDart/files/Bluedart_Policy_for_determining_Materiality.pdf)

### CORPORATE GOVERNANCE

Your Company is committed to maintaining the highest standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by the Securities and Exchange Board of India (SEBI). Your Company adopts high standards of Corporate Governance in all areas of functioning with strong emphasis on transparency, integrity and accountability.

Your Company believes that Corporate Governance is an application of the best management practices, compliance of law in true letter and spirit and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of all stakeholders.

In order to re-enforce message on insider trading and to strengthen existing system, the Company has implemented software tool viz;

## DIRECTORS' REPORT

'Trackin' provided by the Company's Share Transfer Agent to track any share dealings by the Company Insiders in the securities of the Company.

A section on Corporate Governance along with a certificate from the Auditors confirming compliance of conditions of Corporate Governance as stipulated under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed and forms part of the Directors' Report.

A detailed review of operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis Report which forms an integral part of this Report and is set out as a separate section to this Annual Report.

### CEO/CFO CERTIFICATION

In accordance with the Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pertaining to corporate governance norms, Mr. Anil Khanna, Managing Director and Mr. Yogesh Dhingra, CFO and COO, have certified, inter-alia, on review of financial statements and establishing and maintaining internal controls for the financial reporting for the year ended March 31, 2016. The said certificate forms an integral part of the Annual Report.

### DEPOSITS

During the year, your Company has not accepted any deposits within the meaning of the provisions of Section 73 and/or 76 of the Companies Act, 2013 and rules made thereunder.

### HUMAN RESOURCE DEVELOPMENT

The Human Resources (HR) function has always been aligned with the business objectives and as per people requirements for effective partnership. In the year 2015, taking forward this legacy, to enhance the focus on long term and short term objectives, the Human Resources function adopted HR initiatives as part of HR strategy for preparing the employees to contribute towards Strategy 2020 through structured personal development and organizational effectiveness measures.

Some of the highlights of key areas on which HR laid emphasis and achieved results were viz; Employee Morale & Motivation, Performance Management, Succession Planning & Executive Development Review, Competency Development, Employee Wellness and Well Being, Work-Life Balance Initiatives etc.

The Employee Satisfaction Survey (ESS) survey in 2015 was conducted with a unique and strategic approach facilitated by HR under guidance of Managing Director and other Senior Management Team members. This approach focused on facilitating senior management communication / dialogue / interaction with employees and clarification sessions for ESS issues / employee touch points. For the first time HR launched the ESS communication campaign focusing more on structured interaction between SMTs and employees prior to ESS

launch 2015. The Employee Satisfaction Survey for the year 2015 was conducted with 9313 employees participating in the survey and resulting in a survey turnout of 99.3%.

The mean satisfaction score for the year is 4.71. 'Pride for Working in Blue Dart' has a high score of 4.85 and 'My future in Blue Dart' scored 4.75 out of 5, employee engagement has also emerged as one of the highest scoring items with a score of 4.70 out of 5. Besides these, few other parameters such as 'Job secured with good performance', 'Blue Dart does a good job for customers' and 'Working in Blue Dart is good for me', also ranked high. This high engagement score has become possible due to active leadership of Senior Management Team members / Managers / Supervisors through regular interactions, action plan on areas of concern and focusing on them with proper communication and feedback sessions.

### Bench Strength - The Leadership Pipeline

The Company focuses on this through infusing fresh talents and grooming, developing them to take on future leadership roles. Some of the initiatives are:

- **Graduate Executive Trainee (GET) program**, called Umang, is a career development initiative for nurturing young talents and grooming them to become future leaders of the Company. The program was rolled out in September 2015 with 19 internal employees and 45 external candidates were taken on board.
- **The Blue Dart Management Trainee Development Program:** To strengthen the future leadership pipeline, the Company inducted the 3<sup>rd</sup> batch of Management Trainees with 43 fresh graduates from various Management Institutes in the country, along with 4 Chartered Accountants.

**Impact:** These initiatives have helped the Company to infuse fresh talent and groom the operations leadership pipeline in future.

### Upstairs 2015

As part of a DPDHL's corporate responsibility strategy, UPstairs - GoTeach Initiative that promotes equal education opportunity, 6 children of the Company's employees have been selected for Upstairs scholarship in the year 2015. The number of shortlisted students has been increased from 4 to 6 in 2015. Through the Upstairs program the Company has supported the selected employees' children with financial assistance for three years.

### New Initiatives

Your Company believes in adopting new and innovative initiatives to meet the rising expectations of its internal employees. These measures in fact play a significant role in keeping the morale of the employees high in such a challenging and dynamic work environment of the Company. Following measures have been undertaken by the Company:



## DIRECTORS' REPORT

**Appreciation Week:** Appreciation in any form encourages employees to acknowledge each other and it acts as a more powerful tool to appreciate Blue Darters for achieving the corporate objective. In an endeavour to make this thanks giving and appreciation a structured process, the 1<sup>st</sup> ever Appreciation Week was formally launched on 9<sup>th</sup> November, 2015 and went on till 21<sup>st</sup> November, 2015. 'Thank You' post cards and badges were given to each and every Blue Darter by Senior Management and Managers for acknowledging the team's contribution with a note of appreciation. During these two weeks, employees expressed their gratitude by exchanging 'Thank You' post cards with each other after writing thank you notes, across Blue Dart country.

**Idea Management:** With an objective to harness creativity, promote innovation and collaborate it with the best practices, the Company has launched an initiative called "Idea Management". It would act as a platform wherein employees can share, exchange, discuss and implement new ideas in areas ranging from cost reduction, saving, revenue generation, new product, process improvement, improving customer service, etc.

**Darter Insights:** 3 editions of Darter insights, quarterly employee communication newsletter, have been published in 2015.

**PeP certification program:** As part of Strategy 2020 Connect pillar, the Post-eCommerce-Parcel (PeP) division has decided to launch Certified Specialist for everything that we do to achieve quality leadership & service excellence. The key objective of PeP expert module is striving to be better and staying the best and to certify all our managers and employees as PeP experts by end of 2020. As part of this initiative, senior management team members from the Company and BDAL attended 2 days (27<sup>th</sup> & 28<sup>th</sup> August 2015) of PeP certification training program in Frankfurt along with many other senior executives of the PeP division. Besides this, one manager from training & development has been trained and certified as Master facilitator for the PeP expert module in August 2015 in Germany.

**Human Resource Business Partnering Effectiveness Survey (HRBPES):** To understand the effectiveness of the current HR processes and areas of strength and improvements in the Company, the first ever HRBPES survey was conducted at the Company from 21<sup>st</sup> October to 7<sup>th</sup> November 2015. 170 Blue Darters participated in the survey resulting in a survey turnout of 83% from all functions across regions (except the HR function). This HRBPES feedback will help the Human Resources function to understand the internal customers' satisfaction, expectations and gaps and accordingly strategize their plans and actions to enhance their goals in the organization.

### Employee Reward & Recognition

In order to keep the motivation of employees high and recognize outstanding work done by them, twelve employees were honored with the 'Employee of the Year' award in Singapore for their excellent contribution in 2015. 1311 employees were awarded with the on-the-spot Bravo award by individual managers for excellent work. 81

employees were awarded the prestigious Super Darter award for achievements beyond the call of duty. The Company is proud that 806 Blue Darters joined the True Blue Club, on completion of 5 years of service.

### HR Awards & Accolades

Your Company won 'HR Excellence Awards for Innovation' awarded by World HRD Congress. This award was given for innovation in the field of technology and people practices. In addition to this, the Company also was awarded for the 'Most Innovative Recruiting' and 'Talent Management Program/Initiatives' by World HRD congress.

Your Company was recognized as one of Top 11 Best Employers of India by Aon Hewitt Best Employers Study in 2015. In fact, our case study on succession planning & leadership development programs to bench strength the leadership pipeline has been showcased as one of the finest examples of the best talent management practices from Asia in recent years in Aon Hewitt Best Employers Digital Library. This is a matter of great honour and prestige for the Company.

### EMPLOYEES

Your Directors place on record their deep appreciation for the contribution made by employees of the Company at all levels.

Information on the particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, as per the provisions of Section 136 (1) of the Companies Act, 2013, the report and accounts are being sent to all shareholders of the Company, excluding the Statement of Particulars of Employees, which is available for inspection at the registered office of the Company during working hours. Any shareholder interested in such particulars may inspect the same.

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub – section 12 of section 197 of the Companies Act, 2013 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this Report as 'Annexure F'.

### PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

The particulars regarding conservation of energy, technology absorption and foreign exchange earnings and expenditure stipulated under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rule 2014 are annexed herewith as an 'Annexure G' and forms part of this Report.

## DIRECTORS' REPORT

### GENERAL

Your Directors state that no disclosure or reporting is required in respect of following items since there were no transactions in respect of below items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
3. Neither Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

### ACKNOWLEDGEMENT

Your Directors appreciate contribution made by the employees of the Company and acknowledge their hard work and dedication to ensure that the Company consistently performs well and remains a leading player in the Express Industry.

The Board of Directors wish to express their sincere appreciation and thanks to all customers, suppliers, banks, financial institutions, solicitors, advisors, Government of India, concerned State Governments and other authorities for their consistent support and co-operation towards contributing to the Company's success.

We are also deeply grateful to our shareholders for the confidence and faith that they have always placed in us.

For and on behalf of the Board of Directors,

**Sharad Upasani**

Chairman  
DIN: 01739334

**Anil Khanna**

Managing Director  
DIN: 01334483

**Malcolm Monteiro**

Director  
DIN: 00089757

**Surendra Sheth**

Director  
DIN: 00089981

**Thomas Kipp**

Director  
DIN: 06921955

**Narendra Sarda**

Director  
DIN: 03480129

Mumbai,  
April 15, 2016

## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE A'

#### Form AOC-I

#### Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

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

#### Part "A": Subsidiary Company

₹ In Lacs

Name of the subsidiary	Concorde Air Logistics Ltd.	Blue Dart Aviation Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A	N.A
Share capital	11	2400
Reserves & surplus	411	2344
Total assets	1128	28984
Total Liabilities	706*	24240*
Investments	0.50	-
Turnover	536	58236
Profit before taxation	112	466
Provision for taxation	36	154
Profit after taxation	76	312
Proposed Dividend	-	-
% of shareholding	100%	74%

\* Excluding Share Capital & Reserves & Surplus

Note : BDAL became subsidiary of the Company with effect from June 22, 2015.

For and on behalf of the Board of Directors,

#### Sharad Upasani

Chairman  
DIN: 01739334

#### Surendra Sheth

Director  
DIN: 00089981

#### Anil Khanna

Managing Director  
DIN: 01334483

#### Thomas Kipp

Director  
DIN: 06921955

#### Malcolm Monteiro

Director  
DIN: 00089757

#### Narendra Sarda

Director  
DIN: 03480129

Mumbai,  
April 15, 2016



## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE B'

#### ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

##### Sustainability at the Company

Company's Sustainability Policy is aligned to its group company, Deutsche Post DHL (DPDHL) Group's motto of Living Responsibility and is based on the 3 pillars of

- ✓ GoGreen (environmental protection)
- ✓ GoHelp (disaster management)
- ✓ GoTeach (championing education)

##### Philosophy

Social Responsibility is a core element of the Company's corporate strategy. As a socially responsible corporate, our commitment towards the community has been unwavering since our inception in 1983.

The Company's philosophy of giving back to society is not just a 'corporate social responsibility', also it is its duty as an organization to give back to the communities and the environment from where it draws its resources. More than 'responsibility' it is 'sustainability' that is its cornerstone.

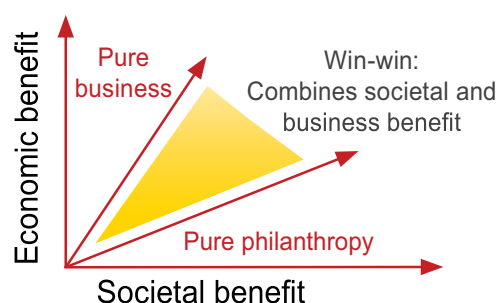
In line with DPDHL Group's 'Living Responsibility', we take our responsibility towards the communities in which we operate, towards our employees and towards the environment seriously. We as an organization commit to make a positive contribution to our world by using our knowledge, our vast domestic and global presence to benefit people and the environment.

As an Indian company with a global outlook, we endeavor to maintain a balance between economic, environmental and social interests.

2. Web-Link to the CSR Policy

[http://www.nseprimeir.com/z\\_BlueDart/files/Bluedart\\_CSR\\_Policy\\_17022016.pdf](http://www.nseprimeir.com/z_BlueDart/files/Bluedart_CSR_Policy_17022016.pdf)

Striking a balance between economic benefit and assuming responsibility for communities is the bedrock of successful CR commitment and a contributing factor to achieving group targets



**LIVING  
RESPONSIBILITY**

GoGreen



GoHelp



GoTeach



## ANNEXURES TO DIRECTORS' REPORT

3. The Composition of the CSR Committee.

**The CSR Committee of the Board comprises of the following:**

- Sharad Upasani, Chairman of the Committee
- Malcolm Monteiro, Member of the Committee
- Anil Khanna, Member of the Committee

4. Average net profit of the company for last three financial years

₹ 20,222 Lacs

5. Prescribed CSR Expenditure (2% of the average net profit of the Company as stated in item 4 above)

₹ 405 Lacs

6. Details of CSR spent during the financial year.

(a) Total amount to be spent for the financial year;

₹ 4,05,00,000

(b) Amount unspent , if any;

₹ 1,01,03,701

(c) Manner in which the amount spent during the financial year is detailed below.

### CSR Spends in 2015-16

Sr. No.	CSR project or activity identified	Sector in which the Project Is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implement - ing agency
1	Blue Edge: Empowering Lives	(ii) Promoting education, special education & employment enhancing vocation skills among children, women, elderly & differently-abled and livelihood enhancement projects	Mumbai Chennai Bengaluru	75,56,940		75,10,095	Implementing Agency - Oasis India
2	Blue Edge: Empowering Lives	(ii) Promoting education, special education & employment enhancing vocation skills among children, women, elderly & differently-abled and livelihood enhancement projects	Delhi	21,00,000		10,66,000	Implementing Agency - Noida Deaf Society
3	Blue Edge: Empowering Lives	(ii) Promoting education, special education & employment enhancing vocation skills among children, women, elderly & differently-abled and livelihood enhancement projects	Kolkata	16,00,000		14,00,174	Implementing Agency - Hope Kolkata Foundation
4	Promotion of Rural sports (Kabbadi & Football) - Magic Bus	(vii) Training to promote rural sports, nationally recognized sports, Paralympic sports & Olympic sports	Mumbai & Kolkata	21,26,626		23,41,229	Implementing Agency - Magic Bus India Foundation

## ANNEXURES TO DIRECTORS' REPORT

Sr. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implement - ing agency
5	Blue Dart Child Care Center	(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups	Mumbai	1,00,00,000		1,00,00,000	Implementing Agency - St. Jude India Childcare Centres
6	Urban Health Resource Centre	(i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water:	Indore	2,00,000		2,00,000	Implementing Agency – Urban Health Resource Centre
7	Free of Cost Cataract Surgeries - HelpAge India	(i) Eradicating hunger, poverty & malnutrition, preventive healthcare & sanitation & making available safe drinking water	Mumbai & Suburbs	25,00,000		25,00,000	Implementing Agency - HelpAge India
8	Implementing Mobile Vans in Govt. schools – Agastya	(ii) Promoting education, special education & employment enhancing vocation skills among children, women, elderly & differently-abled and livelihood enhancement projects	Delhi & NCR	24,72,000		31,23,355	Implementing Agency - Agastya International Foundation
9	Enactus	(i) Eradicating hunger, poverty & malnutrition, preventive healthcare & sanitation & making available safe drinking water (iv) Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro forestry, conservation of natural resources & maintaining quality of soil, air & water. (x) Rural development projects	All India	30,00,000		Funds will be disbursed in the Financial year 2016-17 subject to clarification in FCRA.	Implementing Agency - Enactus India



## ANNEXURES TO DIRECTORS' REPORT

Sr. No.	CSR project or activity identified	Sector in which the Project Is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implement - ing agency
10	E & H	(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Farukhabad	25,00,000		Funds will be disbursed in the Financial year 2016-17 subject to clarification in FCRA.	Implementing Agency – E & H
11	Academic & Infrastructural up-liftment for 6 schools in Tamil Nadu - Kare 2014	(ii) Promoting education, special education & employment enhancing vocation skills among children, women, elderly & differently-abled and livelihood enhancement projects	Tamil Nadu	2,38,431		2,09,150	Implementing Agency - KaRe
12	People for environment Conservation	(iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Dehradun	50,000		50,000	Implementing Agency - People for Environment Conservation
13	Asomi Cultural Essence	(i) Eradicating hunger, poverty & malnutrition, preventive healthcare & sanitation & making available safe drinking water	Pune			25,000	Implementing Agency - Asomi Cultural Essence
14	Towards travel for CSR engagement	-	-	2,38,685		1,57,908	Direct
15	Salaries of CSR Staff	-	-	39,17,318		18,13,388	Direct
16	Prime Ministers Relief Fund	(ix) Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Govt. for socio-economic development & relief & welfare of SC, ST, OBC, minorities & women	All India	20,00,000		To be paid in the the Financial year 2016 - 17	Direct
	<b>TOTAL</b>	-	-	<b>4,05,00,000</b>		<b>3,03,96,299</b>	-

## ANNEXURES TO DIRECTORS' REPORT

**Magic Bus** works to move some of the world's poorest children out of poverty. It uses mentors to engage children and ensure that they make the right choices from childhood all the way through to better livelihoods as adults.

**HelpAge India** is a leading registered national level NGO, established in 1978, with a mission "to work for the cause and care of disadvantaged aged persons and to improve their quality of life".

**Agastya International Foundation** is a nonprofit, public charitable trust which is actively engaged in sparking curiosity and nurturing creativity and innovation in under privileged children through hands-on science, art and ecology.

**Oasis India** was founded in 1994 as the second member of the Oasis Global family which shares a common vision, mission and outcomes. The work around the world reflects a common ethos of equality, inclusion, excellence, transparency and innovation. Over the years, several projects based around communities have been run offering inclusive and holistic solutions to people bound by various situations of abuse and vulnerability through education, training, health care, psycho-social care, micro-finance initiatives and residential rehabilitation.

**Teach for India** Teach To Lead was formally established in 2008. Teach To Lead is a not-for-profit organization whose mission is to create a movement of leaders who will work to eliminate educational inequity in the country. Teach for India, a project of Teach To Lead, is a nationwide movement of outstanding college graduates and young professionals who will commit two-years to teach fulltime in under resourced schools and who will become lifelong leaders working from within various sectors towards the pursuit of equity in education. Today, Teach For India is in 7 cities - Mumbai, Pune, Delhi, Hyderabad, Chennai, Ahmedabad and Bengaluru. They have a total of 910 Fellows and 660 Alumni working towards eliminating educational inequity.

**KaRe:** KaRe is a growing Partnership firm that primarily operates in the education domain. KaRe is building the framework for need based intervention in enabling learning and training teachers to suit the learning skills and levels of each student and involves formulating number of learning programmes to expand reach of education, enhance the learning process and so on through usage of innovative approaches to suit various levels of students with available infrastructure or with minimal investments or modification to the available infrastructure.

**Enactus India** operates as a subsidiary of Enactus Worldwide and is the single largest Enactus country operation; Enactus India is a priority country for the future growth of the organization.

Enactus India works with leaders in business and higher education to mobilize university students to make a difference in their communities while developing their skills to become socially responsible business leaders. There are over 60 active teams in the Enactus India network.

**Noida Deaf Society** was setup in 2005 as a not-for-profit society by Ruma Roka with an intention of enabling a positive change in the lives of Deaf children and youth. NDS focuses on providing quality education and job oriented vocational training to the deaf which enables them to become productive members of society. From humble beginnings, today NDS has been able to reach out to over

4500 deaf children and youth from across the country. In spite of the limitations of space and infrastructure, they are able to positively impact over 1200 Deaf children and youth every year. NDS is the only organization in the country which has been able to mainstream Deaf youth through sustainable employment. Over 1000 youth are successfully working in some of the most leading companies across sectors ranging from Hospitality, Retail, Information Technology, Banking, Print and Publishing, Education, Textile and Manufacturing among others.

**Hope Kolkata Foundation** was established in February 1999 for the holistic and sustainable protection and development of children who are forced to live on the street, reside in slums and who face difficult circumstances, due to abject poverty. HOPE restores once broken childhoods through the delivery of Shelter, Nutrition, Education, Medical and Health care, Counselling, Awareness Generation, Life skill training and Recreational Activities to children as young as 5 years of age.

**St. Jude India Childcare Centres:** In major cities of India where low cost cancer treatment is available, children who need treatment for cancer come to hospitals along with their parents from distant towns and villages. The hospitals do not treat them as in patients during the long drawn out treatment and these needy families do not have a place to stay whenever the child is not admitted to hospital. At their centres spread across 5 cities in India, St Jude provides support to such families by providing them free of cost shelter, nutritional support, educational and recreational activities, transportation to and from the hospital, art based therapy, music therapy, yoga, counselling for the family and new skills for income generation.

**Urban Health Resource Centre** is a nongovernmental organization that addresses health, nutrition and wellbeing of the disadvantaged urban dwellers through demonstration programmes, technical support to government and no-government sector, research, advocacy and knowledge dissemination through a consultative and partnership based approach.

7. In case the Company has failed to spend the two percent of the average net profit of the last three financial three years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.

The Company has spent ₹ 303.96 Lacs on its CSR initiatives in FY 2015-2016 out of allocated amount of ₹ 405 Lacs since Company could not identify suitable CSR projects/NGO Partners. The balance amount would be spent in the year 2016-17 in suitable projects along with the allocated amount of 2016-2017.

8. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

**Sharad Upasani**  
Chairman  
DIN: 01739334

**Anil Khanna**  
Managing Director  
DIN: 01334483

**Malcolm Monteiro**  
Director  
DIN: 00089757

Mumbai,  
April 15, 2016

## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE C'

#### FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

#### 1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2016, which were not at arm's length basis.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis:

- a. Name(s) of the related Party and nature of relationship – Blue Dart Aviation Ltd., subsidiary company of the Company.
- b. Nature of Contract/ arrangements / transactions :
  - Aircraft, Crew, Maintenance and Insurance (ACMI) Agreement.
  - Investment in Subsidiary having par value (17,760,000 equity shares of ₹ 10 per share) (existing) – ₹ 7,199 Lacs
  - Loans (existing) - ₹ 9,348 Lacs
  - Corporate Guarantees (existing) - ₹ 6,000 Lacs
  - Aircraft Payload deposit (existing) - ₹ 2,150 Lacs
- c. Duration of the contracts/ arrangements/ transactions – ACMI Agreement Renewed/ extended on March 11, 2015 till September 30, 2016. Loans and Corporate Guarantees are existing till repayment.
- d. Salient terms of contracts : The Company has ACMI Contract with BDAL for dedicated air carriage capacity which ensured strong support in sustaining the Company's leadership position. The Company is only customer of BDAL and BDAL provides services as per network requirements of the Company.
- e. Date(s) of approval by the Board, if any – January 29, 2015.
- f. Amount paid as advances, if any : Aircraft Payload deposit of ₹ 2,150 Lacs.

For and on behalf of the Board of Directors,

**Sharad Upasani**  
Chairman  
DIN: 01739334

**Surendra Sheth**  
Director  
DIN: 00089981

**Anil Khanna**  
Managing Director  
DIN: 01334483

**Thomas Kipp**  
Director  
DIN: 06921955

**Malcolm Monteiro**  
Director  
DIN: 00089757

**Narendra Sarda**  
Director  
DIN: 03480129

Mumbai,  
April 15, 2016



## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE D'

#### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

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

To

The Members,  
Blue Dart Express Limited  
Blue Dart Centre,  
Sahar Airport Road,  
Andheri (East),  
Mumbai – 400 099

Dear Sir / Madam,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good Corporate Governance practice by Blue Dart Express Limited (hereinafter called **"the Company"**). 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, Minutes Books, Forms and Returns filed with regulatory authorities and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31<sup>st</sup> March, 2016, 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 reporting made hereinafter.

We further report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company, our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended 31<sup>st</sup> March, 2016, as per the provisions of:

- (i) The Companies Act, 2013 and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, to the extent the same was applicable to the Company;
- (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;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14th May, 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 w.e.f. 15th May, 2015;
  - (c) 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;
  - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 w.e.f. 1<sup>st</sup> December, 2015;

## ANNEXURES TO DIRECTORS' REPORT

- (vi) (a) The Company has made necessary application under Carriage by Road - Act, 2007 as applicable to the Company.
- (b) We have also verified systems and mechanism which is in place and Legal Compliance Manual circulated by the Company to ensure Compliance of other applicable Laws (in addition to aforementioned Laws applicable to the Company) and we have also relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for compliances of other applicable Acts, Laws and Regulations to the Company and found the adequate Compliance of the same.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013 w.e.f. 01st July, 2015
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s).

We further Report that, during the year, it was not mandatory on the part of the Company to comply with the following Regulations / Guidelines:

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Based on aforesaid information provided by the Company, we report that during the financial year under report, the Company has complied with the provisions of the aforementioned Act/s including the applicable provisions of the Companies Act, 1956 and Rules, Regulations, Guidelines, Standards etc. mentioned hereinabove and we have no material observation or instances of non Compliance in respect of the same.

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 year under review were carried out in compliance with the provisions of the Act.

We also report that adequate notice was given to all Directors to schedule the Board Meetings, agenda along with detailed notes to agenda were sent at least seven days in advance and a adequate system exists for Board Members to seek and obtain further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

It is noted that majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the Minutes.

Based on representation made by the Company and its Officers explaining us internal systems and mechanism established by the Company which ensures compliances of other Acts, Laws and Regulations applicable to the Company, We report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules and regulations.

We further report that during the year under report, the Company has undertaken no corporate action having a major bearing on the Company's affairs in pursuance of aforesaid laws, rules and regulations.

Date : April 15, 2016  
Place : Mumbai

Name : Nilesh Shah  
For : Nilesh Shah & Associates  
FCS : 4554  
C.P. : 2631

Note : This Report has to be read with 'Annexure - A'

## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE A'

To,  
The Members,  
Blue Dart Express Limited  
BlueDart Centre,  
Sahar Airport Road,  
Andheri (East),  
Mumbai – 400 099

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis (by verifying records made available to us) to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained Management representation about the compliance of laws, rules and regulations and occurrence of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of process followed by Company to ensure adequate Compliance.
6. The 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.

Date : April 15, 2016  
Place : Mumbai

Name : Nilesh Shah  
For : Nilesh Shah & Associates  
FCS : 4554  
C.P. : 2631



# ANNEXURES TO DIRECTORS' REPORT

## 'ANNEXURE E'

### EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS

i. CIN	:	L61074MH1991PLC061074
ii. Registration Date	:	April 5, 1991
iii. Name of the Company	:	Blue Dart Express Limited
iv. Category / Sub-Category of the Company	:	Public Company
v. Address of the Registered office and contact details	:	Blue Dart Centre, Sahar Airport Road, Andheri (East) Mumbai - 400 099, India. Tel.No. +91 22 28396444
vi. Whether listed company Yes / No	:	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s. Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mill Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078. Tel.No. +91 22 25963838 Fax No. +91 22 25946969 Email – rnt.helpdesk@linkintime.co.in

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Courier and Express services	5320	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	DHL Express (Singapore) Pte. Ltd.		Holding	75%	2(46)
2.	Concorde Air Logistics Limited 17, Adarsh Industrial Estate, Sahar Road, Chakala, Andheri (E), Mumbai - 400 099	U60230MH2004PLC146141	Subsidiary	100%	2(87)
3.	Blue Dart Aviation Limited Blue Dart Centre, Sahar Airport Road, Andheri (E), Mumbai - 400 099	U35303MH1994PLC078691	Subsidiary	74%	2(87)

## ANNEXURES TO DIRECTORS' REPORT

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2015 i.e. on the basis of Shareholding Pattern of March 31, 2015)				No. of Shares held at the end of the year (as on March 31, 2016 i.e. on the basis of Shareholding Pattern of March 31, 2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	0	0	0	0	0	0	0	0	0
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	17795950	0	17795950	75	17795950	0	17795950	75	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	17795950	0	17795950	75	17795950	0	17795950	75	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	17795950	0	17795950	75	17795950	0	17795950	75	0
B. Public Shareholding									
1) Institutions									
a) Mutual Funds / UTI	1346523	600	1347123	5.6774	1285565	600	1286165	5.4204	-0.26
b) Banks / FI	1067	200	1267	0.0053	1617	200	1817	0.0077	0.01
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	1805575	0	1805575	7.6095	1400497	0	1400497	5.9023	-1.71
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	3153165	800	3153965	13.2922	2687679	800	2688479	11.3304	-1.96
(2) Non-Institutions									
a) Bodies Corporate	1744612	2700	1747312	7.3639	1700393	2600	1702993	7.1772	-0.19
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0

## ANNEXURES TO DIRECTORS' REPORT

b) Individuals									
i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	678509	106119	784628	3.3069	738659	96819	835478	3.5211	0.21
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	153646	0	153646	0.6475	149291	0	149291	0.6292	-0.02
c) Others (specify)	0	0	0	0	175	0	175	0.0007	0
1. Trust									
2. Hindu Undivided Family	0	0	0	0	41553	0	41553	0.1751	0
3. NRI	24572	1700	26272	0.1107	28449	1700	30149	0.1271	0.02
4. OCB	0	100	100	0.0004	0	100	100	0.0004	0
5. Clearing Member	10486	0	10486	0.0442	41473	0	41473	0.1748	0.13
6. Foreign Portfolio Investor (Corporate)	55575	0	55575	0.2342	442293	0	442293	1.8640	1.63
<b>Sub-Total (B)(2):</b>	2667400	110619	2778019	11.7078	3142286	101219	3243505	13.6696	1.96
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	5820565	111419	5931984	25	5829965	102019	5931984	25	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	23616515	111419	23727934	100	23625915	102019	23727934	100	0

### ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
DHL Express (Singapore) Pte.Ltd.	17795950	75	0	17795950	75	0	0

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		No. of Shares held at the beginning of the year (as on April 1, 2015 i.e. on the basis of Shareholding Pattern of March 31, 2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	No change during the year			
2.	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3.	At the End of the year				



## ANNEXURES TO DIRECTORS' REPORT

### iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.		Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	Increase	Decrease	No. of Shares	% of total Shares of the company
	<b>For each of the Top 10 Shareholders</b>						
1.	Bright Star Investments Pvt.Ltd.	795934	3.3544	0	0	795934	3.3544
2.	IDFC Premier Equity Fund	452408	1.9066	0	82765	369643	1.5578
3.	Matthews India Fund	250973	1.0577	11000	0	261973	1.1041
4.	SBI Life Insurance Co.Ltd.	312688	1.3178	0	75375	237313	1.0001
5.	T.Rowe Price International Discovery Fund	218479	0.9208	0	4719	213760	0.9009
6.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Long Term Equity Fund	-	-	173355	0	173355	0.7306
7.	SBI Magnum Taxgain Scheme	200000	0.8429	0	39919	160081	0.6747
8.	Damani Estates and Finance Private Limited	125000	0.5268	132562	0	257562	1.0855
9.	Mondrian Emerging Markets Small Cap Equity Fund, L.P	110776	0.4669	7650	0	118426	0.4991
10.	Derive Trading Pvt.Ltd.	117100	0.4935	0	0	117100	0.4935
11.	Government Pension Fund Global	179186	0.7552	0	106159	73027	0.3078
12.	Blackrock Global Funds Asian Dragon Fund	96036	0.4047	5169	0	101205	0.4265
13.	SBI Magnum Multiplier Fund	64000	0.2697	0	11500	52500	0.2213
14.	Narotam S Sekhsaria	88696	0.3738	0	13405	75291	0.3173

### (v) Shareholding of Directors and Key Managerial Personnel

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	None of the Directors and Key Managerial Personnels hold shares in the Company			
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	None of the Directors and Key Managerial Personnels hold shares in the Company			
3.	At the End of the year	None of the Directors and Key Managerial Personnels hold shares in the Company			

## ANNEXURES TO DIRECTORS' REPORT

### (v) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ in lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>				
• Addition		33,219		33,219
• Reduction				
<b>Net Change</b>		33,219		33,219
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount		33,219		33,219
ii) Interest due but not paid		NIL		NIL
iii) Interest accrued but not due		NIL		NIL
<b>Total (i+ii+iii)</b>	NIL	33,219	NIL	33,219

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

₹ in lacs

Sr. No.	Particulars of Remuneration	Name of MD/WT/ Manager
		Anil Khanna, Managing Director
1.	<b>Gross salary</b>	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	310.07
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
	d) Company contribution toward PF	21.34
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	-
5.	Others, please specify	-
	<b>Total (A)</b>	331.81
	Ceiling as per the Act	Refer note

Note : In terms of provisions of the Companies Act, 2013, the remuneration payable to MD shall not exceed 5% of the net profit of the Company. The remuneration paid to the MD is well within the said limit.

## ANNEXURES TO DIRECTORS' REPORT

### B. Remuneration to other Directors

₹ in lacs

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Sharad Upasani	Surendra Sheth	Narendra Sarda	Clyde Cooper	
(1)	Independent Directors					
	- Fee for attending board / committee meetings	7.80	6.90	3.00		17.70
	- Commission*	15.00	15.00	15.00		45.00
	- Others, please specify	-	-	-		-
Total (1)		22.80	21.90	18.00		62.70
(2)	Other Non – Executive Directors & Non-Independent Directors					
	- Fee for attending board / committee meetings				0.30	0.30
	- Commission					
	- Others, please specify					
Total (2)					0.30	0.30
Total (1) + (2)						63.00
Ceiling						Refer Note

\* The Commission for the Financial year ended 31<sup>st</sup> March, 2016 will be paid after adoption of account by the shareholders at the AGM to be held on 28<sup>th</sup> July, 2016.

Note : In terms of the provisions of the Companies Act, 2013, the remuneration payable to Directors other than Executive Directors shall not exceed 1% of the net profit of the Company. The Remuneration paid to the Directors is well within the said limit. Mr. Malcolm Monteiro, Mr. Thomas Kipp and Ms. Bettina Staffa do not accept any sitting fees as per DHL internal guidelines.



## ANNEXURES TO DIRECTORS' REPORT

### C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

₹ in lacs

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Yogesh Dhingra, Chief Financial Officer & Chief Operating Officer	Tushar Gunderia, Company Secretary	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	242.91	69.72	312.63
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.50	1.03	1.53
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
	d) Company contribution towards PF	10.11	2.15	12.26
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total*	253.52	72.90	326.42

\* Does not include contribution to the approved Gratuity Scheme under the defined benefits scheme which is actuarially determined on an overall Company basis.

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/COURT]	Appeal made, if any (give Details)
<b>Company</b> Penalty Punishment Compounding			None		
<b>Directors</b> Penalty Punishment Compounding			None		
<b>Other officers in Default</b> Penalty Punishment Compounding			None		

## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE F'

**The ratio of remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

A. Information pursuant in Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Director and Key Managerial Personnel	Designation	Ratio of Remuneration to Median remuneration of all employees	Increase in remuneration over LY (%)
Anil Khanna	Managing Director	173.6	12.2*
Sharad Upasani	Chairman	11.0	0.0
Surendra Sheth	Director	10.6	0.0
Narendra Sarda	Director	1.5	0.0
Clyde Cooper	Director	0.1	0.0
Thomas Kipp	Director	0.0	NA
Malcom Monteiro	Director	0.0	
Bettina Staffa	Director	0.0	NA
Yogesh Dhingra	Chief Financial Officer & Chief Operating Officer	129.0	10.6**
Tushar Gunderia	Company Secretary	35.8	8.6**

\* The remuneration of Managing Director was revised with the approval of the shareholders w.e.f. 21st February 2015.

\*\* Reflects increase in remuneration consequent to revision w.e.f. 1<sup>st</sup> April 2015.

Note :

- The number of permanent employees as on 31<sup>st</sup> March, 2016 was 10657.
- Compared to the previous year 2014-15 the figures for the current year 2015-16 reflects that :
  - Gross Turnover and PBT has grown by 12.6%, 49.7% respectively
  - Median remuneration and average remuneration of all employees have increased by 5.59% and 14.38% respectively
  - Average remuneration of employees excluding Key Managerial Personnel has increased by 14.45%
  - Remuneration of Key Managerial Personnel has increased by 11.20%
- No employee's remuneration for the year 2015-16 exceeded the remuneration of any of whole time Directors.
- Variable compensation is an integral part of our total reward package. Variable compensation is directly linked to an individual performance rating and business performance.
- The remuneration of the Directors, Key Managerial Personnel and other employees is in accordance with the Remuneration policy of the Company provided under the section 'Report on Corporate Governance' which forms part of the Report and Accounts.
- The Market capitalization of the Company has decreased from ₹ 17250.3 Crores as of March 31, 2015 to ₹ 14393.4 Crores as of March 31, 2016. Over the same period, the price to earnings ratio moved from 135.9 to 75.8 times. The Blue Dart Express Limited stock price as at March 31, 2016 has increased by 7988% to ₹ 6066 over the last public offering, i.e. IPO in September 1994 at the price of ₹ 150 per share (the Company has issued bonus shares in the ratio of 1:1 in the year 2001 post the IPO in September 1994, accordingly, for the purpose of determination of the percentage increase, the IPO price has been adjusted accordingly).

## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE G'

#### **PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE**

##### **Conservation of Energy**

Under the GoGreen program, the Company is committed to minimizing the impact of its business on the environment and contributes to environmental protection worldwide.

The GoGreen program is an integral part of DPDHL Group's Strategy 2020. In 2008, we introduced a measurable climate protection target. By 2020 we want to improve the carbon efficiency of our own services by 30 percent compared with the base year 2007. We have taken this approach because we view environmentally friendly and efficient logistics as an opportunity to create value – for our environment, for us as a company and for our customers.

The main focus of GoGreen is to avoid, reduce and, when necessary, give our customers the chance to offset, greenhouse gas emissions (primarily CO<sub>2</sub>). These emissions account for the logistics industry's largest negative impact on the environment.

The vehicles operated for the company are in compliance of all pollution control regulations. The Company ensures that all its vehicles go through periodic PUC and maintenance checks to maintain minimum pollution levels and that all vehicles are in order of the prescribed norms for optimal operations by the manufacturer in terms of fuel consumption and better vehicle through-put and better vehicle efficiency are maintained. Driver training programs are conducted regularly in order that the drivers maintain the vehicles better, derive improved fuel efficiency, are safe drivers, and good citizens of the community.

Company's 24/7 network control centre operating at the headquarters in Mumbai is a centralised command system to provide support to drivers when they are on the road.

Under the GoGreen Living Responsibility pillar, Company conducted various activities to encourage its employees to contribute towards the noble cause of saving the environment.

**Power Saver – Lights Off:** The Company practices lights off for an hour between 1 pm to 2 pm on the last Saturday of every month across all its offices in India. Employees too are encouraged to switch off the lights at their residence between 8.30 pm to 9.30 pm on the same day. This initiative is championed by Anil Khanna, Managing Director, who encourages all the employees to conserve energy.

Your Company actively participates in all global initiatives such as Earth Hour, Earth Day, World Environment Day etc.

##### **Technology Absorption**

Since inception your Company has truly differentiated itself with world-class state-of-the art technology. All departments and especially customer facing use technology to deliver superior services to the customer.

Your Company is the only Indian air and ground express company that has invested extensively in technology infrastructure to create differentiated delivery capabilities, quality services and customized solutions for the customer.

Our low cost with high standards technology architecture and innovation has allowed us to achieve service quality and operation delivery par excellence.

A entirely new website is being developed with excellent state of the art features & functionalities and a robust hardware platform.

Your Company has made substantial investments in IT and automation like hand-held scanners (On the Move – OTM) for pickup & deliveries, technology deployment for cash management, more customers integrated into website & APIs, smart truck, roll-out of Weight Dimension Levelling (WDLs), Centralised and Improved ERP system – C2PC, etc.

Your Company has invested in Interactive Voice Response (IVR) and an official Blue Dart facebook page, twitter handle, google plus page and youtube channel for customers to interact with the Company.

## ANNEXURES TO DIRECTORS' REPORT

Your Company has invested in a new retail customer centric management system – Point of Sale (POS) besides Multiple Payment Option System (MPOS) is another initiative to make lives of customer easy and accessible. A new billing, receivable management system is in progress to further strengthen the process.

Innovation is deeply ingrained in Company's DNA since its inception. Over the years, Company has been at the helm of many innovations that have benefitted our end customers and hence will continue to be our focus going forward too.

Your Company has invested heavily in technology infrastructure to create differentiated delivery capabilities, quality services and customized solutions for clients. This has enabled us to offer web-based solutions mentioned above to customers that can be integrated with their core products.

### **Foreign Exchange Earnings & Outgo**

#### **Earnings in Foreign Currency**

Earnings in foreign currency during year ended March 31, 2016 were ₹ 3,259 (lacs) [March 31, 2015: ₹ 2,823 (lacs)]

#### **Expenditure in Foreign Currency**

Expenditure in foreign currency during year ended March 31, 2016 was ₹ 542 (lacs) [March 31, 2015: ₹ 533 (lacs)]



# REPORT ON CORPORATE GOVERNANCE

## 1. Blue Dart's philosophy on Corporate Governance

Corporate Governance is the mechanism by which the values, principles, policies and procedures of the Organisation are inculcated and manifested. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability throughout the organisation.

Blue Dart believes that it is imperative for it to manage its business affairs in the most fair and transparent manner with a firm commitment to its values. For Blue Dart, Corporate Governance is an ethically driven business process that is committed to values, aimed at enhancing an organisation's brand and reputation.

Since inception, Blue Dart has inculcated and maintained a strong culture of values, ethics and integrity. The basic philosophy of Corporate Governance at Blue Dart is to achieve business excellence and to create and enhance the value for its Shareholders, Customers, Employees and Business Associates and thereby to make a significant contribution to the Economy. Blue Dart's corporate governance framework is a reflection of its culture, its policies, its relationship with stakeholders and its commitment to values. The Company endeavours to achieve the highest levels of transparency, accountability, integrity and responsibility and continues to focus on good corporate governance, in line with local and global standards. As a responsible corporate citizen, the Company complies with the applicable laws of the land in letter as well as in spirit.

The Board of Directors of the Company continues to accord its highest priority for adherence to the principles of Corporate Governance. It believes in upholding the highest standards of accountability and actively participates in overseeing risks and strategic management. The Board of Directors has the basic responsibility to ensure sustainable improvement in corporate valuations by providing strategic guidance regarding management decisions. Blue Dart is conscious of its responsibility to establish a culture that creates an atmosphere of trust amongst all its stakeholders.

## 2. Board of Directors

During the year, Mr. Thomas Kipp, CEO of DHL eCommerce and a nominee of DHL Express (Singapore) Pte. Ltd. was appointed as Director of the Company in the Annual General Meeting of the Company held on July 29, 2015. Mr. Kipp is a Member of the divisional Board of DHL Global Mail since 2006 and responsible for International Mail business of Deutsche Post DHL.

During the year, Ms. Bettina Staffa, CFO of DHL eCommerce and a nominee of DHL Express (Singapore) Pte. Ltd. was appointed as Director of the Company in the Annual General Meeting of the Company held on July 29, 2015. Ms. Bettina Staffa is responsible for all planning and forecast processes as well as monthly reporting process for DHL eCommerce.

Mr. Clyde Cooper tendered his resignation as a Director with effect from October 21, 2015. The Board of Directors accepted his resignation and placed on record immense contribution of

Mr. Cooper to the Company during his tenure with the Company for more than 32 years. The Board of Directors tendered its deep appreciation to Mr. Cooper and wished him the very best in all his future endeavours.

In accordance with the provisions of Companies Act, 2013 and Articles of Association of the Company, Mr. Malcolm Monteiro, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Malcolm Monteiro is CEO - DHL eCommerce, Asia Pacific with effect from April 1, 2014. Prior to his present role, he acted as a CEO DHL Express South Asia since 2007 and was responsible for reinforcing the vision of DHL, aggressively growing the international and domestic businesses and market share, enhancing customer experience at every customer touch point, encouraging a high level of employee engagement through active leadership for India, Sri Lanka, Pakistan, Nepal, Maldives, Bangladesh and Bhutan.

He was Managing Director of Blue Dart between the period from March 13, 2006 to February 21, 2007 and led the organisation's commendable performance during the same period. He has over 18 years of experience in various functions in Blue Dart. Mr. Malcolm Monteiro holds a post-graduate degree in Management from IIM, Ahmedabad, and is a graduate in Electrical Engineering from IIT, Mumbai, both of which are world-renowned top ranking institutions in their respective fields.

### Directorship in Other Companies

#### 1. Just Dial Ltd.

Mr. Malcolm Monteiro, Director, is not a member of any other committee, as contemplated under Regulation 26 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), other than a member of the Audit Committee and Nomination & Remuneration Committee of Just Dial Ltd. and does not hold any shares in that Company.

Mr. Monteiro and any of the other Directors of the Company do not have any inter-se relationship.

As on March 31, 2016, composition of the Board of Directors comprises of one Executive Director and six Non-Executive Directors including three Independent Directors and one Woman Director. All key decisions are taken only after detailed deliberations and discussions by the Board. The Board of Directors possesses adequate experience, expertise and skills necessary to manage affairs of the Company in the most efficient manner. The Board acts with autonomy and independence in the strategic decision-making process and discharging its fiduciary responsibilities.

The DHL nominee Directors hold the firm belief that DHL's best interests are aligned with the continued growth and success of the Company.

As regards appointment and tenure of Independent Directors, following policy is adopted by the Board:

## REPORT ON CORPORATE GOVERNANCE

- i) Company has adopted the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013.
- ii) The Independent Directors would serve a maximum of two terms of five years each.
- iii) In transition to the Companies Act, 2013, which is effective April 1, 2014, those Independent Directors who have already served for ten or more years will serve for a maximum period of one term of five years.
- iv) With aforesaid changes, the Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure would be governed by the provisions of the Companies Act, 2013.

### Board Independence

Our definition of 'Independence' of Directors is derived from Regulation 16 of the Listing Regulations, and Section 149(6) of the Companies Act, 2013. Based on the confirmation/ disclosures received from the Directors and on evaluation of the relationships disclosed, Mr. Sharad Upasani, Chairman, Mr. Surendra Sheth and Mr. Narendra Sarda, Directors are Independent in terms of the Provisions of Regulation 16 of the Listing Regulations and Section 149(6) of the Companies Act, 2013.

The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013.

The terms and conditions of the appointment are disclosed on the website of the Company.

### Board Procedure

The Board of Directors is presented with all the relevant information on vital matters that affect working of the Company as well as those which require deliberations at the highest level. It is ensured that information, as required under Regulation 17(7) and Part A of Schedule II of the Listing Regulations is made available to the Board of Directors to enable them to discharge their functions effectively.

There is no relationship between the Directors inter-se.

The size and composition of the Board conforms to the requirements of Corporate Governance norms as stipulated under the provisions of the Listing Regulations.

The meetings of the Board of Directors are scheduled well in advance and generally held at the Company's Registered Office in Mumbai. The Notice of the Board Meeting and Board Agenda with detailed enclosures are sent in advance to all Directors.

During the year under review, six Board Meetings were held, viz; May 7, 2015, June 22, 2015, July 29, 2015, October 21, 2015, December 14, 2015 and February 10, 2016.

## REPORT ON CORPORATE GOVERNANCE

The details of attendance of each Director at the Board Meetings, last Annual General Meeting, and number of other directorship and membership in the Committees thereof, are as under:

Name of Director	Position	Designation	Attendance Particulars		Directorship in Other Indian Companies	Committee Membership in Other Indian Companies	
			Board Meetings	Last AGM		Member	Chairman
Mr. Sharad Upasani	Independent & Non-Executive Director	Chairman	6	Yes	5	2	Nil
Mr. Anil Khanna	Executive Director	Managing Director	6	Yes	Nil	1	Nil
Mr. Malcolm Monteiro	Non-Independent & Non-Executive Director	Director	5	Yes	1	2	Nil
Mr. Clyde Cooper *	Non-Independent & Non-Executive Director	Director	1	No	1	1	Nil
Mr. Surendra Sheth	Independent & Non-Executive Director	Director	6	Yes	2	3	2
Mr. Thomas Kipp **	Non-Independent & Non-Executive Director	Director	4	Yes	Nil	Nil	Nil
Mr. Narendra Sarda	Independent & Non-Executive Director	Director	6	Yes	2	2	Nil
Ms. Bettina Staffa***	Non-Independent & Non-Executive Director	Director	2	No	Nil	Nil	Nil

\*1) Mr. Clyde Cooper, Director resigned from the Company with effect from October 21, 2015.

\*\*2) Mr. Thomas Kipp, CEO of DHL eCommerce and a Nominee Director of DHL Express (Singapore) Pte. Ltd. was appointed as a Director of the Company in the Annual General Meeting of the Company held on July 29, 2015.

\*\*\*3) Ms. Bettina Staffa, CFO of DHL eCommerce and a Nominee Director of DHL Express (Singapore) Pte. Ltd. was appointed as a Director of the Company in the Annual General Meeting of the Company held on July 29, 2015.

4) The Directorships held by Directors as mentioned above, includes Directorships in the Private Limited Companies and Companies registered under Section 8 of the Companies Act, 2013, but do not include Directorships in Foreign Companies.

### 3. Audit Committee

The Audit Committee of the Board deals with all matters relating to financial reporting, internal controls, risk management etc. and reports to the Board from time to time. The Board of Directors of the Company constituted an Audit Committee at its Board Meeting held on May 8, 2001.

#### Composition

The Audit Committee comprises of two Independent Non-Executive Directors, viz; Mr. Sharad Upasani and Mr. Surendra Sheth and one Non-Independent and Non-Executive Director, Mr. Malcolm Monteiro. The Chairman of the Committee is Mr. Sharad Upasani. Mr. Tushar Gunderia, Company Secretary, acts as Secretary to the Audit Committee.

Mr. Anil Khanna, Managing Director, Mr. Yogesh Dhingra, CFO

& COO; the Statutory Auditors and the Internal Auditor are permanent invitees to the Audit Committee Meetings.

The Chairman of the Audit Committee, Mr. Sharad Upasani was present at the last Annual General Meeting of the Company held on July 29, 2015.

The powers, role and terms of reference of the Audit Committee are in accordance with the provisions of Regulation 18 of the Listing Regulations, 2015 and Section 177 of the Companies Act, 2013.

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Listing Regulations, the Board of Directors in its Board Meetings held on May 9, 2014 and April 15, 2016 enhanced terms of reference and scope of the Audit Committee to align with the new requirements of the Companies Act, 2013 and Listing Regulations.

## REPORT ON CORPORATE GOVERNANCE

### **The terms of reference of the Audit Committee, inter-alia include the following :-**

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of Statutory Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing with the management, the annual financial statements and auditor's report thereon, before submission to the Board for approval, with particular reference to:
  - a. Matters required to be incorporated in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in the accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Modified opinion(s) in the draft audit report.
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing with the management the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for the purposes other than those stated in the offer document / prospectus / notice and report submitted by the monitoring agency, monitoring utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with the related parties;
9. Scrutiny of the inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
13. Reviewing adequacy of internal audit function, if any, including structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
14. Discussion with the internal auditors of any significant findings and follow up thereon;
15. Reviewing findings of any internal investigations by the internal auditors into matters where there is a suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussions with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc. of the candidate;
20. Carrying out any other function as stipulated in terms of reference of the Audit Committee.

The Audit Committee shall also mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
6. Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).



## REPORT ON CORPORATE GOVERNANCE

The Audit Committee of the Company meets and interacts periodically with the Senior Management Personnel which gives the Audit Committee a deeper insight into the workings of major departments and regions.

During the year under review, seven Audit Committee Meetings were held, viz; May 7, 2015, June 22, 2015, July 29, 2015, October 21, 2015, December 14, 2015 (two meetings, one of which was with the Senior Management of the Company) and February 10, 2016.

The details of attendance of each Member at the Audit Committee Meeting held during the year ended March 31, 2016 are as under:

Names of Director	Position	No. of Meetings	
		Held	Attended
Mr. Sharad Upasani	Chairman	7	7
Mr. Surendra Sheth	Member	7	7
Mr. Malcolm Monteiro	Member	7	6

#### 4. Nomination & Remuneration Committee

The Board of Directors of the Company had constituted Compensation Committee of Directors at the Board Meeting of the Company held on May 7, 2002.

The 'Nomination & Remuneration Committee' comprises two Independent Non-Executive Directors viz; Mr. Surendra Sheth and Mr. Sharad Upasani, and a Non-Independent and Non-Executive Director, Mr. Malcolm Monteiro. The Committee is chaired by Mr. Surendra Sheth, Independent Director.

Mr. Anil Khanna, Managing Director and Mr. Yogesh Dhingra, CFO and COO are permanent invitees to the Nomination & Remuneration Committee.

Mr. Tushar Gunderia, Company Secretary, acts as Secretary to the Nomination & Remuneration Committee.

The Chairman of the Nomination & Remuneration Committee, Mr. Surendra Sheth was present at the last Annual General Meeting of the Company held on July 29, 2015.

During the year under review, six Nomination & Remuneration Committee Meetings were held viz; May 1, 2015, May 7, 2015, July 29, 2015, October 21, 2015, December 14, 2015 and February 10, 2016.

The details of attendance of each Member at the Nomination & Remuneration Committee Meeting held during the year ended March 31, 2016 are as under:

Names of Director	Position	No. of Meetings	
		Held	Attended
Mr. Surendra Sheth	Chairman	6	6
Mr. Sharad Upasani	Member	6	6
Mr. Malcolm Monteiro	Member	6	6

The Executive Director is paid remuneration in terms of a resolution passed by the members at the General Meetings.

The Nomination & Remuneration Committee ensures a transparent nomination process for Directors with the diversity of thought, experience, knowledge, perspective and gender in the Board.

The terms of reference of the 'Nomination & Remuneration Committee' inter-alia includes the following:

- Formulation of 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 diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Non-Executive Directors are paid sitting fees of ₹ 30,000/- for attending each meeting of the Board, Audit Committee, Nomination & Remuneration Committee, CSR and Risk Management Committee attended by them. DHL nominated Directors do not accept any sitting fees as per their internal guidelines.

In terms of the provisions of Regulation 17 of the Listing Regulations, the Board is required to have at least one third of the members of the Board as Independent Directors if the Chairman is Non-Executive. The Company's present Board comprises Mr. Sharad Upasani, Mr. Surendra Sheth and Mr. Narendra Sarda who are Independent Directors on the Board of the Company.

Mr. Sharad Upasani, Independent Director, holds a Masters in Commerce and an LLB degree from the Mumbai University, besides an MBA degree from USA. He is now a consultant on Corporate Law and acts as an Arbitrator in corporate disputes.

## REPORT ON CORPORATE GOVERNANCE

Mr. Surendra Sheth, Independent Director, is a Commerce graduate from the Sydenham College of Commerce and Economics, Mumbai and a Fellow Chartered Accountant (FCA) and has been a Member of the Institute of Chartered Accountants of India (ICAI) for the past 44 years. Mr. Sheth is a partner in M/s. Sheth & Company, a firm of Chartered Accountants. His areas of specialisation include Audit, Taxation and Financial Consultancy.

Mr. Narendra Sarda was President of The Institute of Chartered Accountants of India (ICAI) in 1993-1994. He was Chairman of Deloitte Haskins Sells & Affiliates, India from 2007 to 2011. Mr. Sarda was a Public Representative Director on the Board of The Bombay Stock Exchange from 1999 to 2001. He was a member on the Board of the erstwhile International Accounting Standards Committee, London from 1993 to 1995.

In the Annual General Meeting of the Company held on April 26, 2011, Shareholders of the Company had approved payment of commission to the Non-Executive Directors, not exceeding 1% of Net Profit of the Company in accordance with the provisions of the Companies Act, 1956 for a period of 5 years. The Commission payable to the Independent Directors is determined by the Board within the aforesaid limit of 1% of the net profits after taking into account their attendance and roles and responsibilities in various committee of the Board. For their valuable contribution by way of advice for various project work from time to time, the Company pays commission to Mr. Sharad Upasani, Mr. Surendra Sheth and Mr. Narendra Sarda, Non-Executive Directors, at such rate as determined by the Board of Directors of the Company and within the ceiling as prescribed under the provisions of the Companies Act, 2013.

During the period, the Company paid commission to Mr. Sharad Upasani and Mr. Surendra Sheth, Non-Executive Directors, aggregating to ₹ 30 lacs for the year ended March 31, 2015.

Mr. Anil Khanna, has been re-appointed as the Managing Director of the Company with effect from February 21, 2015 to February 20, 2018. In terms of Agreement executed with the Company, details of terms of remuneration paid to the Managing Director are as under:

### Mr. Anil Khanna, Managing Director

(for period from April 1, 2015 to March 31, 2016)

Basic	- ₹ 14.58 lacs per month
House Rent Allowance	- ₹ 0.825 lacs per month
Special Allowance	- ₹ 2.09 lacs per month
Sr. Management Allowance	- ₹ 0.856 lacs per month

In addition to the above amount, Mr. Anil Khanna shall be entitled to the following:

- (i) The Company's contribution to Provident Fund, in accordance with the Rules and Regulations of the Company.

- (ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- (iii) Encashment of unavailed leave at the end of each year.
- (iv) Re-imbursement of telephone expenses at residence for official purpose.
- (v) A chauffeur – driven vehicle.
- (vi) Coverage under Company's Group Insurance Cover.
- (vii) Fees of club, subject to a maximum of one club. This will not include admission and life membership fees.
- (viii) Subscription and Annual fees for the Corporate Credit Card.
- (ix) The Managing Director shall be entitled to an incentive payment based on achievement of profitability levels and other parameters as determined by the Board of Directors for the calendar year ended December 31, 2015, upto a maximum of ₹ 140 lacs.
- (x) Increment for each year shall be determined by the 'Nomination & Remuneration Committee' and which shall be subject to approval of the Board of Directors and members of the Company at the General Meeting of members.
- (xi) Such other benefits in accordance with the schemes and rules as applicable from time to time and not exceeding the sum of ₹ 3.5 lacs per annum.

During the term of employment of Managing Director, if in any financial year, the Company does not earn any profit or earns inadequate profit as contemplated under the provisions of Schedule V of the Companies Act, 2013, unless otherwise approved by such Statutory Authority, remuneration shall be paid as per the conditions and monetary ceiling prescribed in Schedule V to the Companies Act, 2013 or any re-enactment thereof. Severance term agreed between the Company and Managing Director is six months notice or payment of six months' salary in lieu thereof.

The Board of Directors of the Company in its meeting held on February 10, 2016, approved, subject to shareholders' approval, LTI upto a maximum of 20% of total direct compensation to Mr. Anil Khanna, Managing Director, for each year, based on targets set for each Calendar year effective January 1, 2016 to December 31, 2019.

The remuneration policy of the Company is performance-driven and structured to motivate the employees, recognise their merits and achievements and promote excellence in their performance.

The Nomination & Remuneration Committee and Board of Directors of the Company are authorised to decide remuneration of Whole-Time Directors, subject to approval of Members and Central Government, if required.

The Non-Executive Directors are paid remuneration by way of sitting fees and commission except DHL-nominated Directors

## REPORT ON CORPORATE GOVERNANCE

who are not paid any sitting fees or commission, as per their internal guidelines.

None of the Directors hold any shares of the Company.

The Company does not have any 'stock options' scheme.

### 5. Board Evaluation

Pursuant to provisions of the Companies Act, 2013, Schedule IV of Companies Act, 2013 and Regulation 17 and Schedule II of Listing Regulations, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually excluding the director being evaluated as well as the evaluation of the functioning of its Committees.

In line with effective governance requirements, the Board reviews its own performance annually using a pre-determined template designed as a tool to facilitate the evaluation process. The assessment was built around the functioning of the Board as a whole, its Committees and also evaluation of Individual Directors. The self-assessment format considered performance effectiveness with regard to the Board composition, expertise, dynamics, strategic oversight, risk management and internal control, succession planning and leadership.

While the individual directors' performance was reviewed by the Chairperson and the rest of the Board, the Chairperson's and Non-Independent Directors performance was appraised through feedback from Independent Directors.

### 6. Stakeholders Relationship Committee

The 'Stakeholders Relationship Committee' consists of Mr. Surendra Sheth, Non-Executive Director acting as Chairman of the Committee and Mr. Anil Khanna as member of the Committee.

The Chairman of the Stakeholders Relationship Committee, Mr. Surendra Sheth was present at the last Annual General Meeting of the Company held on July 29, 2015.

The 'Stakeholders Relationship Committee' approves and monitors transfers and transmission of shares and replacement, split and consolidation of share certificates/debenture certificates. The Committee also monitors redressal of complaints received from the shareholders relating to transfers/transmission of shares, non-receipt of annual reports and transfer of credit of shares to demat accounts, non-receipt of declared dividend and other investor-related matters. The Stakeholders Relationship Committee Meetings are held once in a fortnight to consider matters placed before it.

Mr. Tushar Gunderia, Company Secretary, has been designated as 'Compliance Officer' under the provisions of Listing Regulations.

During the period under review, three hundred and twenty nine correspondences were received from the investors. These

include eight complaints received and disposed off during the year ended March 31, 2016. All Investors correspondence were attended expeditiously. There were no investors' complaints pending as on March 31, 2016.

All valid share transfers/transmissions and other requests received during the period were approved and attended by the Committee. There were no pending requests for transfer of Equity Shares as on March 31, 2016.

The details of Investors' Correspondence received during the year ended March 31, 2016 were as under:

Nature of Correspondence	No. of Correspondence received	No. of Correspondence resolved/attended
Revalidation / Duplicate / Non-Receipt of Dividend Warrants	47	47
Non-Receipt of Share certificates / Transfers / Transmissions	31	31
Change of Address	41	41
Request for loss / duplicate/ replacement of Share Certificates	53	53
Others*	157	157
<b>Total</b>	<b>329</b>	<b>329</b>

\*Others include correspondence pertaining to updating new signatures, non-receipt of rejected dematerialisation request forms, registration of Power of Attorneys, procedure for transmission of shares, dividend mandate instructions, request for Annual Reports, letters from SEBI and Stock Exchanges and such other administrative matters.

The Company and the Registrar & Transfer Agent have attended to most of the investors' correspondence within a period of 8 days from the date of receipt of correspondence during the year ended March 31, 2016.

M/s. Link Intime India Pvt. Ltd. acts as the Registrar and Share Transfer Agent of the Company.

Consequent to notification dated January 15, 2015 issued by Securities and Exchange Board of India (SEBI), the Company has adopted new 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' at its Board Meeting held on May 7, 2015 and said new code has been made applicable to all designated employees and other connected persons with effect from May 15, 2015.

The Stakeholders Relationship Committee monitors compliance of the provisions of 'Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders' and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'.

## REPORT ON CORPORATE GOVERNANCE

### 7. Unclaimed Dividend/Shares

As on date, the Company has transferred unclaimed dividend declared for the financial years 1995-96, 1996-97, 1998-99, 1999-2000 (interim and final dividend), 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, December 2005, December 2006 and December 2007 to "The Investors Education and Protection Fund" (IEPF) established by the Central Government. The Unclaimed dividend for the year December 2008 would be transferred to IEPF by May 13, 2016.

In accordance with the provisions of Regulation 39 and Schedule V of Listing Regulations, 2015, the details of the shares lying in the "Blue Dart Express Ltd. – Unclaimed Suspense Account" maintained with the Stock Holding Corporation of India Ltd. are as under:

Type of Security	As on April 1, 2015		Applied for transfer and whose shares were transferred during the year from the suspense account		Balance as on March 31, 2016	
	Number of		Number of		Number of	
	Share-holders	Shares	Share-holders	Shares	Share-holders	Shares
Equity Shares	115	12,202	5	500	110	11,702

The voting rights on these equity shares retained as outstanding in the 'suspense account' as on March 31, 2016 would remain frozen till the rightful owner claims these shares.

### 8. Corporate Social Responsibility Committee

The Company constituted a Corporate Social Responsibility Committee (CSR Committee) on February 5, 2014. The CSR Committee of the Company comprises of Mr. Sharad Upasani as Chairman of the Committee and Mr. Anil Khanna and Mr. Malcolm Monteiro as members of the Committee.

The permanent invitee to the CSR Committee is Mr. Yogesh Dhingra, CFO & COO.

The role of CSR Committee is as under:

- Formulating and recommending to the Board, CSR Policy and the activities to be undertaken by the Company.
- Recommending amount of expenditure to be incurred on activities undertaken.
- Implementation and execution of CSR initiatives/ activities.
- Reviewing performance of the Company in the areas of CSR.
- Monitoring CSR Policy from time to time.

During the year under review, three CSR Committee Meetings were held, viz; May 7, 2015, July 29, 2015 and December 14, 2015.

The details of attendance of each Member at the CSR Committee Meetings held during the year ended March 31, 2016 are as under:

Names of Director	Position	No. of Meetings	
		Held	Attended
Mr. Sharad Upasani	Chairman	3	3
Mr. Anil Khanna	Member	3	3
Mr. Malcolm Monteiro	Member	3	3

### 9. Risk Management Committee

The Board of Directors at its meeting held on June 11, 2014 approved constitution of the 'Risk Management Committee' as per the requirements of the Companies Act, 2013 and Regulation 21 of Listing Regulations. In the Board Meeting of the Company held on March 28, 2015, the Risk Management Committee was reconstituted. The 'Risk Management Committee' comprises of Mr. Narendra Sarda, Mr. Sharad Upasani, Mr. Surendra Sheth, Independent Directors, Mr. Anil Khanna, Managing Director, Mr. Yogesh Dhingra, CFO & COO, Mr. Aneel Gambhir, Sr. Vice President - Internal Audit and Mr. Tushar Gunderia, Company Secretary. The Committee is chaired by Mr. Narendra Sarda, Independent Director.

During the year under review, three Risk Management Committee Meetings were held, viz; May 7, 2015, July 29, 2015 and February 10, 2016.

The details of attendance of each Member at the Risk Management Committee Meetings held during the year ended March 31, 2016 are as under:

Names of Director	Position	No. of Meetings	
		Held	Attended
Mr. Narendra Sarda	Chairman	3	3
Mr. Sharad Upasani	Member	3	3
Mr. Surendra Sheth	Member	3	3
Mr. Anil Khanna	Member	3	3
Mr. Yogesh Dhingra	Member	3	3
Mr. Aneel Gambhir	Member	3	3
Mr. Tushar Gunderia	Member	3	3

### 10. Independent Directors' Meeting

As per the requirements of Schedule IV the Companies Act, 2013 and Regulation 25 of Listing Regulations, during the year under review, Independent Directors met on February 10, 2016, without presence of the Managing Director, Non-Executive, Non-Independent Directors and Management Team. The meeting



## REPORT ON CORPORATE GOVERNANCE

was attended by all Independent Directors and it was convened to enable Independent Directors to discuss matters pertaining to the Company's affairs, performance of Non-Independent Directors and Board of Directors pursuant to requirements of Companies Act, 2013 and Listing Regulations and put forth their views to the Board of Directors of the Company.

### 11. Policy for Selection and Appointment of Directors and their Remuneration

The Company has formulated Nomination & Remuneration Policy pursuant to requirements of the Companies Act, 2013 and Listing Regulations. The criterion for selection, appointment and remuneration of Directors has been stated in the policy.

#### Criteria for selection of Executive Director / Managing Director

For a person to be appointed as Managing Director ("Candidate"), he/she should fulfill/meet the following criteria:

- (a) The Candidate should have been allotted a director's identification number.
- (b) The Candidate should not be below the age of 21 years. If the Candidate has completed 70 years of age, then the Candidate may be appointed after complying with the relevant provisions of the Companies Act, 2013.
- (c) The Candidate should not be an undischarged insolvent or should not have, at any time, been adjudged as an insolvent.
- (d) The Candidate should not have, at any time, suspended payment to his/her creditors or should not be a person who makes, or has at any time made, a composition with them.
- (e) The Candidate should not have, at any time, been convicted by a court of an offence and sentenced for a period of more than 6 months.
- (f) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Companies Act, 2013.
- (g) If the Candidate is already holding the office of Managing Director, then his/her current tenure should be expiring within a period of not more than 1 year.
- (h) The Candidate should not be a director, who has been at any time removed from directorship by the Company in accordance with the provisions of the Companies Act, 2013.
- (i) The Candidate should not have been sentenced to imprisonment for any period, or to a fine exceeding ₹ 1,000, for the conviction of an offence under any of the specified statutes.
- (j) The Candidate should not have been detained for any period under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974 (52 of 1974).
- (k) If the Candidate is a managerial person in more than 1 company, then the remuneration which he/she draws from

1 or more companies should be within the ceiling provided in section V of Part II of Schedule V of the Companies Act, 2013.

- (l) The Candidate should be a 'resident of India' as per Schedule V of the Companies Act, 2013.
- (m) The Candidate should not be holding office as a director or any other office in a competing firm/entity.
- (n) The Candidate should possess requisite qualifications and experience as may be decided by the Board of Directors.

#### Remuneration of Executive Director/ Managing Director

1. The Nomination & Remuneration Committee to recommend remuneration of the Managing Director to the Board for its approval.
2. Such remuneration shall be subject to approval of the shareholders of the Company, in the next general meeting.
3. If proposed remuneration is at variance to the conditions specified in Schedule V of the Act, then such remuneration will also be subject to the approval of the Central Government.
4. The terms of the remuneration of the Managing Director shall be as under:
  - (a) The remuneration of the Managing Director shall consist of the following:
    - (i) Basic Salary
    - (ii) House Rent Allowance
    - (iii) Special Allowance
  - (b) In addition to the above, the Managing Director shall be entitled to the following:
    - (i) Company's contribution to the provident fund as per The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
    - (ii) Gratuity at a rate not exceeding half a month's salary for each completed year of service.
    - (iii) Superannuation contribution subject to a maximum ceiling of 15% of basic salary by way of contribution to a fund or an allowance in lieu thereof or a combination of both.
    - (iv) Encashment of an unavailed leave at the end of each year.
    - (v) Re-imbursement of telephone expenses at residence for official purpose.
    - (vi) A chauffeur – driven vehicle.
    - (vii) Coverage under Company's Group Insurance Cover.

## REPORT ON CORPORATE GOVERNANCE

- (viii) Fees of club, subject to a maximum of one club. This will not include admission and life membership fees.
  - (ix) Subscription and Annual fees for Corporate Credit Card.
  - (x) An incentive payment based on achievement of profitability levels for the year ended, upto such amount, as may be decided by the Board and approved by the shareholders from time to time.
  - (xi) Increment for each year will be determined by the Nomination & Remuneration Committee based on the performance evaluation report and which will be subject to approval of the Board and shareholders, and of the Central Government, if applicable.
  - (xii) Such other benefits and upto such amount, as may be decided by the Board and the shareholders, from time to time.
- (c) The Managing Director is currently not entitled to any stock options.

### Criteria for selection of Non-Executive Directors:

1. For a person to be appointed as a Non-Executive Director ("Candidate"), he/she should fulfil/meet the following criteria:
  - (a) The Candidate should have been allotted a director's identification number.
  - (b) The number of companies in which such Candidate may be holding office as a director or a chairman or committee member should not exceed the limit stipulated by the Companies Act, 2013.
  - (c) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Companies Act, 2013.
  - (d) The Candidate should not be holding office as a director or any other office in a competing firm/entity.
  - (e) The Candidate should possess requisite qualification and experience as may be decided by the Board of Directors.

### Remuneration of Non-Executive Directors

1. The Nomination & Remuneration Committee to recommend the remuneration of Non - Executive Directors excluding sitting fees to the Board for its approval, and it will be subject to approval of the shareholders of the Company.
2. The terms of the remuneration of the Non - Executive Directors shall be as under:

An incentive payment based on achievement of profitability levels for the year ended, upto such amount, as may be

decided by the Board and the shareholders, from time to time.

- (a) Sitting fees of such amounts as may be determined from time to time and upto such amount, as may be decided by the Board and the shareholders, if required.
- (b) Increment for each year will be determined by the Committee based on the performance evaluation report and which will be subject to approval of the Board and the shareholders.
- (c) The Non-Executive Directors are currently not entitled to any stock options.

### Criteria for selection of Independent Directors:

For a person to be appointed as an Independent Director ("Candidate"), he/she should fulfil/meet the following criteria:

- (a) If the Candidate is already an Independent Director, then his tenure and term will be as per the Companies Act, 2013 and Listing Regulations.
- (b) The Candidate should have been allotted a director's identification number.
- (c) The number of companies in which such Candidate may be holding office as an independent director or a chairman or committee member should not exceed the limit stipulated by the Companies Act, 2013 and Listing Regulations.
- (d) The Candidate should not be disqualified to act as a director pursuant to the provisions of the Companies Act, 2013.
- (e) The Candidate should not be holding office as a director or any other office in a competing firm/entity.
- (f) The Candidate should, in the opinion of the Board, be a person of integrity and possess relevant expertise and experience.
- (g) The Candidate should not be or should not have been a promoter of the Company or its holding, subsidiary or associate company.
- (h) The Candidate should not be related to promoters or directors in the Company, its holding, subsidiary or associate company.
- (i) The Candidate should not have or should not have had any pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the 2 immediately preceding financial years or during the current financial year.
- (j) None of the Candidate's relatives should have or should have had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or ₹ 50 lacs or such higher

## REPORT ON CORPORATE GOVERNANCE

amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year.

- (k) Neither himself/herself nor any of his/her relatives:
- (i) should hold or should have held the position of a 'key managerial personnel' or should be or should have been an employee of the Company or its holding, subsidiary or associate company in any of the 3 financial years immediately preceding the financial year in which he/she is proposed to be appointed.
  - (ii) should be or should have been an employee or proprietor or a partner, in any of the 3 financial years immediately preceding the financial year in which he/she is proposed to be appointed, of:
    - a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
    - any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to 10% or more of the gross turnover of such firm;
  - (iii) should hold together with his/her relatives 2% or more of the total voting power of the Company;
  - (iv) should be a Chief Executive or director, by whatever name called, of any non-profit organisation that receives 25% or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds 2% or more of the total voting power of the Company; or
  - (v) should be a material supplier, service provider or customer or a lessor or lessee of the Company.
- (l) The Candidate should not be less than 21 years of age.
- (m) The Candidate should possess requisite qualification and experience as may be decided by the Board of Directors.

### Remuneration of Independent Directors

1. The Nomination & Remuneration Committee to recommend remuneration of the Independent Directors excluding sitting fees to the Board for its approval and will be subject to approval of the shareholders of the Company.
2. The terms of the remuneration of the Independent Directors shall be as under:
  - (a) Sitting fees of such amounts as may be determined from time to time and upto such amount, as may be decided by the Board and the shareholders, if required.

(b) Commission based on achievement of profitability levels for the year ended upto such amount, as may be decided by the Board and approved by the shareholders of the Company, from time to time.

(c) Increment for each year will be determined by the Committee based on the performance evaluation report and which will be subject to approval of the Board and the shareholders of the Company.

3. The Independent Directors will not be entitled to any stock options.

### Remuneration of Key Managerial Personnel:

1. The Nomination & Remuneration Committee to recommend remuneration of Managing Director, Company Secretary and Chief Financial Officer to the Board for its approval.
2. Increment for each year will be determined by the Committee based on performance evaluation report.
3. Such increment will be subject to approval of the Board.

### Remuneration of Employees:

1. The Nomination & Remuneration Committee to determine remuneration of employees of the Company, other than whole time key managerial personnel.
2. Increment for each year will be determined by the Committee based on the performance evaluation.
3. The employees are currently not entitled to any stock options.

## 12. Vigil Mechanism/Whistle Blower Policy

At Blue Dart, we value high ethical standards of behavior and expect honesty, openness and integrity in whatever we do. In terms of provisions of Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formalized the process and institutionalized the 'Whistle Blower Policy' within the Organisation.

The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. Pursuant thereto, a dedicated helpline viz; [bluedart@ethicshelpline.in](mailto:bluedart@ethicshelpline.in) has been set up which is managed by an independent professional entity.

The Policy is applicable to all employees, directors, officers, customers, vendors and/or third party intermediaries such as agents and consultants whether appointed on a permanent, temporary, full time, part-time, contractual, probation or on a retainer basis who are engaged to conduct business on behalf of

## REPORT ON CORPORATE GOVERNANCE

the Company and its Subsidiary Companies. The Policy provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Company has posted "Whistle Blower Policy" on the website of the Company viz; [www.bluedart.com](http://www.bluedart.com).

The web link of the Whistle Blower Policy is <http://www.bluedart.com/WhistleBlowerPolicy>.

### 13. Policy for prevention of Sexual Harassment of Women

The Company values dignity of individuals and strives to provide a safe and respectable work environment for all its employees. The Company is committed to providing an environment which is free of discrimination, intimidation and abuse. Pursuant to requirements of 'Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013' and rules made thereunder, the Company has formulated a Policy for Prevention of Sexual Harassment of Women in the Company. There was no complaint received from any employee during the financial year 2015-16 and hence no complaint is outstanding as on March 31, 2016 for redressal.

### 14. Familiarization Programme for Independent Directors

Pursuant to requirements of Regulation 25 of Listing Regulations, the Company has a familiarization programme for the Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The Board Members are provided with all the necessary documents/ reports and internal policies to enable them to familiarise with the Company's procedures and practices.

Periodic presentations are made at the Board and Board constituted Committee Meetings pertaining to business and performance updates of the Company, global business environment, business strategies and risks involved.

Directors attend training programmes/ conferences on relevant subject matters and keep themselves abreast of the latest corporate, regulatory and industry developments.

The same has been posted on website of the Company viz; [www.bluedart.com](http://www.bluedart.com).

The weblink of familiarization programme is [http://www.nseprimeir.com/z\\_BlueDart/files/FamiliarisationProgramme.pdf](http://www.nseprimeir.com/z_BlueDart/files/FamiliarisationProgramme.pdf)

### 15. General Body Meetings

- a) The details of Annual General Meetings held during the last three years are as under:

AGM for Financial Year ended	Day & Date	Time	Location
Fifteen Months Period Ended March 31, 2013	Tuesday 23.07.13	4:30 p.m.	Hotel Hilton Mumbai International Airport, Chancellor I, Sahar Airport Road, Andheri (East), Mumbai – 400 099.
March 31, 2014	Wednesday 23.07.14	4:30 p.m.	Hotel Hilton Mumbai International Airport, Chancellor I, Sahar Airport Road, Andheri (East), Mumbai – 400 099.
March 31, 2015	Wednesday 29.07.15	4:30 p.m.	Hotel Hilton Mumbai International Airport, Chancellor I, Sahar Airport Road, Andheri (East), Mumbai – 400 099.

All resolutions set out in the respective notices were passed by the Members.

- b) Postal Ballot

None of the business proposed to be transacted at the ensuing Annual General Meeting require passing of a resolution through Postal Ballot process.

- c) The following Special Resolution was passed by the Members during the previous three Annual General Meetings.

At the Annual General Meeting held on July 23, 2013:

No Special Resolution was passed.

At the Annual General Meeting held on July 23, 2014:

Approval for Adoption of new set of the Articles of Association of the Company pursuant to the Companies Act, 2013.

At the Annual General Meeting held on July 29, 2015:

Approval for Material Related Party Transactions

### 16. Subsidiary Company

As a good Corporate governance practice and as stipulated under the Listing Regulations, in the Meeting of the Board of Directors of the Company held on February 10, 2016, the Board of Directors approved to nominate Mr. Surendra Sheth,



## REPORT ON CORPORATE GOVERNANCE

an Independent Director of the Company on the Board of its Subsidiary Company viz; Blue Dart Aviation Ltd. in which the Company holds 74% of shareholding. Accordingly, Blue Dart Aviation Limited (BDAL), the Company's Unlisted Subsidiary, has made an application on March 14, 2016 to the Ministry of Civil Aviation for induction of Mr. Surendra Sheth on the Board of BDAL.

The Company monitors performance of its subsidiaries, inter-alia, by the following means:

- The Financial Statements, in particular, the investments made by the 'unlisted subsidiary companies' are reviewed by the Audit Committee of the Company.
- The Minutes of the Board Meetings of the subsidiary companies are placed before the Board Meeting of the Company.
- The details of any significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Board of the Company.
- The Company has its Senior Management personnel on the Board of Directors of its subsidiary company, viz; Concorde Air Logistics Ltd.

As required under Regulation 16 of the Listing Regulations, the Company has formulated a Policy for determining 'material subsidiary'.

The Company has posted "Policy for determining 'material subsidiary'" on the website of the Company viz; [www.bluedart.com](http://www.bluedart.com).

The web link of Policy for determining 'material subsidiary' is [http://www.nseprimeir.com/z\\_BlueDart/files/Bluedart\\_PolicyonMaterialSubsidiary.pdf](http://www.nseprimeir.com/z_BlueDart/files/Bluedart_PolicyonMaterialSubsidiary.pdf)

### 17. Related Party Transactions

All Related Party Transactions which were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or any related party which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and the Board for approval.

None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

The particulars of contracts or arrangements with the related parties as required under Section 134(3)(h) has been provided in the Directors' Report.

The 'Policy on Related Party Transactions/Disclosures' approved by the Board of Directors as required under Regulation 23 of the Listing Regulations is posted on the Company's website viz; [www.bluedart.com](http://www.bluedart.com).

The web link of 'Policy on Related Party Transactions/Disclosures' is [http://www.nseprimeir.com/z\\_BlueDart/files/Bluedart\\_RelatedPartyDisclosures final.pdf](http://www.nseprimeir.com/z_BlueDart/files/Bluedart_RelatedPartyDisclosures final.pdf).

### 18. Disclosures

Financial Statements of the Company have been prepared to comply in all material aspects with the Accounting Standards notified under Section 211 (3C) of the Companies Act, 1956, pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

The Company has not entered into any other transaction of a material nature with the Promoters, Directors, its Management, relatives or with its subsidiaries or any related party which may have a potential conflict with the interests of the Company at large.

The Company has not received any disclosure from the senior management in relation to material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large as stated in the Regulation 26 (5) of Listing Regulations.

No penalties or strictures were imposed on the Company during the last three years by any Stock Exchanges, SEBI or any other statutory authorities on any matters related to capital markets.

The Company has in place a mechanism to inform the Board on risk assessment and minimisation procedures and periodic review is conducted in order to ensure that Management controls risk through a properly defined framework.

### 19. Code of Conduct

Blue Dart has always adhered to the highest standards of quality and ethics while maintaining its leadership position in the express air and integrated transportation and distribution industry in the country. The cornerstone of our success has been the Company's people who are guided by the Company's 'Guiding Principles'.

The Board of Directors of the Company has laid down a Code of Conduct for the Board Members and Senior Management Team of the Company. The same has been posted on the website of the Company.

The Code of Conduct is a comprehensive document which articulates the Company's expectations from its people, to reflect the ethics and values of the organisation and resultantly earn goodwill of its customers and enhance its reputation.

## REPORT ON CORPORATE GOVERNANCE

All the Board Members and members of Senior Management have affirmed compliance with the provisions of the 'Code of Conduct' for the year ended March 31, 2016. As per the requirements of Schedule V of the Listing Regulations, a certificate from Mr. Anil Khanna, Managing Director confirming compliance to the 'Blue Dart Code of Conduct' has been attached to this Report.

Pursuant to the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted the 'Blue Dart Code of Conduct for Prevention of Insider Trading' in the Equity Shares of the Company. Mr. Tushar Gunderia, the Company Secretary, acts as 'Compliance Officer' for administration of the Code in consultation with the Company's Stakeholders Relationship Committee. This Code of Conduct is applicable to all Directors and designated employees of the Company who are expected to have access to unpublished price-sensitive information relating to the Company.

### 20. Auditor's Certificate on Corporate Governance

As required by the provisions of Schedule V of Listing Regulations, the Auditor's Certificate is given as an Annexure to the Directors' Report.

### 21. CEO and CFO Certification

As required by Regulation 17(8) of the Listing Regulations, the CEO and CFO certification on Financial Statements, Cash Flow Statement and Internal Control Systems for the financial reporting for the year ended March 31, 2016, has been obtained from Mr. Anil Khanna, Managing Director and Mr. Yogesh Dhingra, CFO & COO, and it has been incorporated in the Company's Annual Report.

### 22. Means of Communication

The Quarterly, Half-yearly and Yearly results are published in The Economic Times and a regional language newspaper viz; Maharashtra Times. The financial results and press releases are also immediately posted on the Company's website, viz; [www.bluedart.com](http://www.bluedart.com).

For information of the investors, the Company also publishes Notice of the Board Meeting in which financial results are proposed to be approved by the Board of Directors in the national newspaper, at least seven clear calendar days in advance.

The Quarterly, Half-yearly and Yearly results are published in the newspapers with adequate disclosures for information and knowledge of the shareholders /public at large. As a good disclosure practice, the Company has continued publication of detailed financial results instead of publishing condensed version permitted under new Listing norms. The Company does not have a system of intimating shareholders individually about financial results, but, queries, if any, are replied immediately.

The Company's website ([www.bluedart.com](http://www.bluedart.com)) contains a separate dedicated section viz; 'Investor Relations' where information for the shareholders is made available.

The Company also uploads the "Investors Presentation" on the Company's website viz; [www.bluedart.com](http://www.bluedart.com) on a quarterly basis.

Management Discussion and Analysis Report forms an integral part of the Directors' Report.

### NSE Electronic Application Processing System (NEAPS):

The NEAPS is a web-based application designed by NSE for the Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others on NSE are filed electronically on NEAPS.

**BSE Listing Centre:** The Listing Centre is a web-based application designed by BSE for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, among others on BSE are filed electronically on Listing Centre.

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralised web-based complaints redress 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.

The Company has disseminated information as stipulated under clauses (b) to (i) of the regulation 46 (2) on the website of the Company.

### 23. Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all mandatory requirements of the Listing Regulations including compliances mentioned in sub-paras (2) to (10) of Part C of Schedule V, and compliance with non-mandatory requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as stated hereunder:

1. The Company has appointed separate persons for the post of Chairman and Managing Director.
2. Directors are adequately briefed on all business related matters, risk assessment and new initiatives proposed to be adopted by the Company.

## REPORT ON CORPORATE GOVERNANCE

### 24. General Shareholders Information

**Annual General Meeting** : Thursday, July 28, 2016 at 4:30 p.m. at Hotel Hilton Mumbai International Airport, Chancellor I, Sahar Airport Road, Andheri (East), Mumbai – 400 099

**Financial Year** **April 1 to March 31**

<b>Financial Calendar</b> (tentative and subject to change)	<b>Schedule of Board Meetings</b>	<b>Date</b>
	First Quarter ending June 30, 2016	July 28, 2016
	Second Quarter & Half-year ending September 30, 2016	October 13, 2016
	Third Quarter ending December 31, 2016	January 31, 2017
	Last Quarter & Year ending March 31, 2017	May 11, 2017

**Book Closure period** : Thursday, July 21, 2016 to Thursday, July 28, 2016 (both days inclusive)

**Dividend Payment Date** : August 4, 2016 (if dividend payment is approved at the AGM)

**Listing on Stock Exchanges** : 1. BSE Limited (BSE)  
2. The National Stock Exchange of India Limited (NSE)

(The Company has paid its Annual Listing fees to the above Stock Exchanges for the Financial Year 2016-2017)

### Stock market Performance

**Stock Code/Symbol** : BSE : 526612  
NSE : Symbol - BLUEDART  
Series – EQ

**ISIN** : INE233B01017

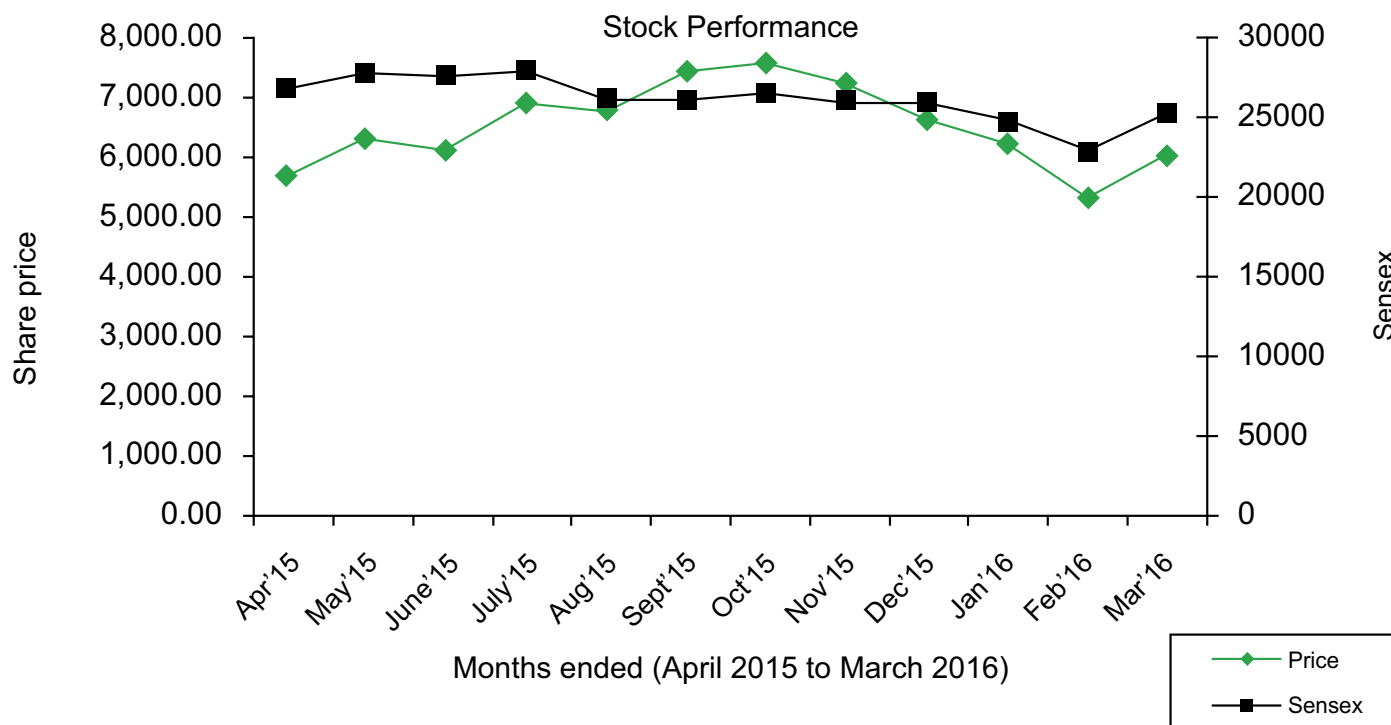
## REPORT ON CORPORATE GOVERNANCE

### Stock Market Data:

#### High and Low quotations of shares at Bombay & National Stock Exchange

Year (2015-2016)			BSE		NSE	
			High	Low	High	Low
April	–	2015	7,358.25	5,589.00	7,370.00	5,580.00
May	–	2015	7,021.00	5,501.05	7,023.15	5,510.00
June	–	2015	6,621.00	5,725.00	6,800.00	5,710.00
July	–	2015	7,048.80	6,117.00	7,059.95	6,105.00
August	–	2015	7,672.90	6,111.10	7,682.00	6,115.00
September	–	2015	7,678.00	6,763.65	7,700.05	6,751.00
October	–	2015	7,900.00	7,322.00	7,850.00	7,225.00
November	–	2015	7,683.70	6,725.00	7,700.05	6,751.10
December	–	2015	7,432.00	6,650.00	7,450.00	6,606.60
January	–	2016	6,849.50	5,955.00	6,830.95	5,950.00
February	–	2016	6,350.00	5,339.90	6,350.00	5,312.50
March	–	2016	6,305.00	5,395.00	6,370.00	5,355.10

#### Stock Price Performance in comparison to the BSE Sensex:





## REPORT ON CORPORATE GOVERNANCE

**Registrar & Share Transfer Agent** : M/s. Link Intime India Pvt. Ltd.  
C-13, Pannalal Silk Mill Compound, L.B.S. Marg,  
Bhandup (W), Mumbai 400 078.

Phone: +9122-2596 3838  
Fax : +9122-2594 6969  
Email : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**Share Transfer System** : Share Transfers which are received in physical form are processed well within the statutory prescribed period from the date of receipt, subject to documents lodged being valid and complete. All share transfers are approved in the Stakeholders Relationship Committee Meeting held once in a fortnight.

### Distribution of Shareholding as on March 31, 2016

No of Shares	No. of Shareholders	% of Share Holders	Shares held	% of shares
1 - 500	12,525	96.68	561,732	2.37
501 - 1000	162	1.25	125,138	0.53
1001 - 2000	94	0.72	139,738	0.59
2001 - 3000	29	0.22	69,593	0.29
3001 - 4000	14	0.11	49,129	0.21
4001 - 5000	19	0.15	89,094	0.37
5001 - 10000	36	0.27	277,203	1.17
10001 - above	75	0.59	22,416,307	94.47
	12,954	100.00	23,727,934	100.00

### Categories of shareholders as on March 31, 2016

Category	No. of Shareholders	No of Shares held	Voting Strength %
Promoter*	1	17,795,950	75.0000
Foreign Body Corporate and Foreign Portfolio Investor (Corporate)	51	442,393	1.8644
Banks, Financial Institutions and Mutual Funds	63	1,287,982	5.4281
Individuals	11,523	984,769	4.1502
Companies	402	1,702,993	7.1772
NRIs and FIIs	429	1,430,646	6.0294
Hindu Undivided Family and Trusts	383	41,728	0.1759
Clearing Member	102	41,473	0.1748
Total	12,954	23,727,934	100.000

\* under two demat accounts

## REPORT ON CORPORATE GOVERNANCE

### 25. Bonus Debentures

During the year, the Company paid Interest on Debentures (record date March 17, 2016) on March 31, 2016 for the year ended March 31, 2016 aggregating to ₹ 3,113 lacs on an unsecured, redeemable, non-convertible, fully paid up debentures of ₹ 10/- each (Rupees Ten Only) allotted by the Company on November 21, 2014 by way of Bonus viz; 7 Debentures under Series I (9.3% p.a), 4 Debentures under Series II (9.4% p.a) and 3 Debentures under Series III (9.5 % p.a) respectively for every 1 (one) equity share of the Company. The Bonus Debentures are listed on BSE Ltd. and National Stock Exchange of India Ltd. with effect from November 28, 2014.

### Dematerialisation of Shares and Liquidity:

Trading in the Company's equity shares is compulsory in dematerialized mode for all the investors with effect from August 28, 2000. As on March 31, 2016, 23,625,915 Equity Shares of the Company representing 99.57% of the Paid-up Equity Share Capital of the Company are in dematerialised mode.

<b>Outstanding GDR/ADR</b>	:	NIL
<b>Plant Location</b>	:	The Company do not conduct any manufacturing activities. The Company offers its existing range of integrated transportation and distribution of shipments through its network of 515 offices spread across India.
<b>Address for communication</b>	:	Investors should address their correspondence to the Registrar & Share Transfer Agents: M/s. Link Intime India Pvt. Ltd. at the address mentioned hereinabove. Contact Officials: Ms. Sharmila Amin, Assistant Vice President – Corporate Registry. Ms. Suman Shetty, Sr. Associate – Corporate Registry Ms. Nayna Wakle, Associate - Corporate Registry Investors may also contact Ms. Prabha Singh, Sr. Manager - Secretarial, or Ms. Aarti Falorh, Manager - Secretarial, at the Registered Office of the Company for any assistance and guidance in connection with investors' matters. Telephone : +9122 2839 6444 Ext. Nos. : 33514 or 33901 Email : PrabhaS@bluedart.com AartiF@bluedart.com
<b>Debenture Trustee</b>	:	Axis Trustee Services Limited, 2nd Floor, Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai-400025. Tel. : +91-22-24255227 / 5216   Email : complaints@axistrustee.com ; debenturetrustee@axistrustee.com
<b>Analyst Contact</b>	:	Mr. Yogesh Dhingra - CFO & COO Mr. Rajesh Joshi, General Manager – Finance and Treasury
<b>General Information Contact</b>	:	Mr. Ketan Kulkarni, Head - Marketing, Corporate Communication & Sustainability.

## AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

### To the Members of Blue Dart Express Limited

We have examined the compliance of conditions of Corporate Governance by Blue Dart Express Limited for the year ended March 31, 2016, as stipulated in regulation 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance 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.

For Price Waterhouse  
Firm Registration Number : 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date : April 15, 2016

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY OVERVIEW

India's Logistics sector is poised for growth, led by GDP revival, urbanisation, infrastructure ramp-up (railways/roads/airports), e-tailing penetration, impending GST implementation and other initiatives like "Make in India" and the trilogy of Jan Dhan – Aadhar – Mobile (JAM).

The express industry has a large number of players, including a sizeable number of small and medium players. The industry caters to multiple segments as well as to individual customers by providing time bound services. Express delivery services are used for various products, including documents like applications, cheque books, credit cards, trade papers and non-documents like electronic products, machine spare parts, trade samples, pharmaceuticals, medical equipments and life-saving drugs. The e-tailing segment is also expected to be a growth driver for the industry.

#### Air Express

The overall Air Express market for Financial Year 2015 was ₹ 3,978 crore<sup>1</sup>. The overall market grew by 6.7%<sup>1</sup> (CAGR) in the last 6 years, however, growth has slowed down last year to 3.5%<sup>1</sup>.

#### Ground Express

The overall Ground Express market for Financial Year 2015 was ₹ 5,530 crore<sup>1</sup>. The overall market grew by 13%<sup>1</sup> (CAGR) in the last 6 years, however, growth has slowed down last year to 8.9%<sup>1</sup>.

#### E-tail Logistics

The e-tail logistics market, riding a strong e-tailing wave, was worth ₹ 3,650 crore<sup>1</sup> in Financial Year 2015. The market is segmented across 4 parts: [a] First Mile, [b] Fulfillment Centre, [c] Line Haul and Last Mile<sup>1</sup>, [d] Reverse Logistics<sup>1</sup>. The First Mile is largely managed by either captive arms or outsourced to small unorganised local players. Fulfillment Centres are managed by captive arms; or specialist/3PL players. Line Haul and Last Mile are the main arenas for e-tail play. Reverse Logistics and special deliveries are also emerging areas.

### REVIEW OF PERFORMANCE

Blue Dart posted ₹ 18,988 Lacs profit after tax for the year ended March 31, 2016. Income from operations for the year ended March 31, 2016 was ₹ 255,386 Lacs.

During the financial year ended March 31, 2016, Blue Dart carried over 1,594.79 Lacs domestic shipments and over 8.94 Lacs international shipments weighing more than 595,623 tonnes.

The key differentiators such as own dedicated aviation infrastructure, extensive reach, late pick-up/early morning delivery, reliability, security, tracking visibility across the complete delivery

chain with APIs, SMS pre-alerts, cash-on-delivery, focus on service quality, delivered by passionate people with a customer centric attitude have been instrumental in strengthening Blue Dart as a reliable and responsive Super Brand.

The company has focused on revenue enhancement measures such as enhanced features, high yield products, close monitoring of GPI implementation, improvement in Fuel Surcharge realization, Currency Adjustment Factor (CAF), Reinforcement of Diesel Mechanism and more extensive automation deployment such as Weight Dimension Labelling (WDL) machines for volume weight capture and a relentless focus on sweating of assets and crunching costs.

The company enjoys strong credit ratings; 'A+' assigned by ICRA (a Moody's Investors Service Associate), IND 'A1+' assigned by India Ratings and Research Private Limited, 'AA' (long-term rating) and 'A1+' (short-term ratings) by ICRA and 'AA' (long-term rating) by ICRA & India Ratings and Research Private Limited.

### PRODUCTS

Blue Dart offers the widest range of services in air, ground and multi modes in day definite and time definite delivery schedules.

The key market-defining domestic express offerings include Time Definite Solutions (Domestic Priority 1030, Domestic Priority 1200 and Dart Apex 1200) and Day Definite Solutions (Domestic Priority, Dart Apex and Dart Surfceline). Packaging Solutions include Express Pallet (Air and Ground) and Smart Box (Air and Ground).

The company offers solutions for the e-tailing sector with first mile, line haul, last mile, seed centres and reverse logistics to cater to the growing needs of this emerging segment.

The Company also offers Cargo Solutions like Airport to Airport, Interline and Charters along with Festive and Student Solutions like Rakhi Express and Student Express etc.

The company is investing aggressively in infrastructure and development of all capabilities across the logistics supply chain and multiple delivery options to position the company as the preferred provider for the e-tailing industry. Initiatives such as auto-sorters, parcel lockers, 'On the Move' (OTMs) handheld devices, Mobile Point of Sales (MPOS) solution, Retail Point of Sales (POS) and setting out innovative delivery options such as Blue Way – a employee crowd-sourcing option, mobile service centre and parcel shops have paved the way for business.

Blue Dart's unrivalled domestic delivery system and network capabilities in India provide the perfect base for the development of nation-wide e-tailing solutions. The company is working closely with leading brands, market place sellers and retailers to help them establish a sustainable e-tailing footprint including Cash on

<sup>1</sup> ATK Study  
<sup>2</sup> IAMAI

<sup>3</sup> Armstrong & Associates, MOSL  
<sup>4</sup> Media Reports



## MANAGEMENT DISCUSSION AND ANALYSIS

Delivery (COD) and Reverse Logistics thus strengthening our role as a trade facilitator and enabler.

The company offers industry specific solutions like Temperature Controlled Logistics (TCL), Dart SurfacelinePlus (DSP), Point to Point (P2P) and a host of value added services like Demand Draft on Delivery (DOD), Freight on Delivery (FOD), Freight on Value (FOV) and Cash on Delivery (COD) etc.

Critical Express caters to the huge domestic need for safe movement of items like passports, tenders and other securitised items.

The Company's global presence, in over 220 countries and territories worldwide, is enabled through DHL Document Express (DOX), DHL Worldwide Package Express (WPX) and a wide range of packaging solutions. DHL Import Express is a unique single window importing service that takes care of all importing needs by offering door-to-door convenience. X-Border International Services is another unique and strong service offering. Duties & Taxes Paid (DTP), Express Pallet, Shipper Interest Insurance (SII) and Express Easy-Student are some of the other offerings.

### A CUSTOMER CENTRIC BRAND

The company has continuously focused on customers and key accounts, built a strong First Choice methodology and Net Promoter Approach and relentlessly worked on achieving "best-in-breed" Customer Satisfaction standards. The Net Promoter Score has moved from 58.73% in 2014 to 64.53% in 2015. Blue Dart's equity, a measure of customer loyalty towards a brand, is the highest amongst its peers. The brand is associated with international standards, reliability, trustworthiness, hi-technology, strong corporate social responsibility and customer centricity.

Blue Dart's 'Blue Points – Amazing Returns' has been a successful loyalty program run across all product segments enabling nurturing, growing and building strong customer relationships.

Blue Dart continues to be the lone-ranger in the Indian skies with a fleet of six Boeing 757-200 freighters with capacities up to 504 tonnes per night.

The Brand Focus campaign – 'I Love My Blue Dart' which was launched to re-focus on an "insanely customer centric culture" was further magnified with the "I Love My Blue Dart: Express Yourself" campaign. It gave every single Blue Darter an opportunity to "Express their Love" for the brand.

The energised Brand Custodian Program was driven with a stronger process, structure and involvement of all stakeholders to ensure that the brand is maintained with the highest levels of commitment and standards.

### Digital Transformation

This impact of social media on our society today is simply staggering. It's stunning to witness the sweeping changes that social media platforms have created for human connections at all levels, including educational systems, political activities, charitable organizations and businesses.

Blue Dart's social media vision is to build an essential connect between us and our brand advocates, influencers, current and prospective customers to spark conversations, inspire sharing and nurture an engaging experience to drive business results.

Our presence on social media has fetched us significant advantages like - Improved Market Intelligence, Quick Complaint Resolution, Increased Brand Awareness & Reach, Instant Feedback and Suggestions on our Products and Services, Increased Customer Engagement leading to higher Involvement & Retention thereby increasing our proximity with our customers and improving Blue Dart's affinity. All this validates our insanely Customer-Centric culture.

In 2015, strengthening our vision of enabling Blue Dart's Digital Transformation, we introduced Blue Dart's Facebook page, Twitter handle and improved our presence on Google+ and YouTube. Launched on 18<sup>th</sup> February 2015, our Corporate Facebook Page has reached over 40,000 people globally. It has now become a critical brand touchpoint. We have successfully maintained 94% response rate with 2 Hours of response time and a high advocacy rate of 0.7/1 on Facebook. We also introduced the 'Track Dart' App and 'Your Feedback' App this year exclusively for Facebook to provide quick access to our users from the page itself.

With our official presence launched on Twitter on 6<sup>th</sup> October 2015, we have also established ourselves successfully on Google+ and YouTube with our engaging posts and videos. Currently, a new-age Blue Dart website transformation project is underway that will, on completion, deliver customers a more contemporary, user-friendly, feature-rich, dynamic and engaging web touch-point.

**Net Promoters Approach (NPA)** is a tool adopted by Blue Dart. It is a Customer Loyalty measuring tool for "Customer Experience and Advocacy". Touch points are also assessed through NPA.

### CREATING PROMOTER IN BLUE DART COUNTRY

The brand has been successfully delighting its customers with end-to-end express services from a document to a charter load within India and through varied service offerings through the DPDHL group companies – DHL Express (India) Pvt. Ltd., DHL Supply Chain (India) Pvt. Ltd. and DHL Logistics Pvt. Ltd. Blue Dart's own dedicated aviation and ground infrastructure is unique and one of its kind in India. Advanced technology deployment across products,

1 ATK Study  
2 IAMAI

3 Armstrong & Associates, MOSL  
4 Media Reports

## MANAGEMENT DISCUSSION AND ANALYSIS

services, customers and internal processes have further enhanced customer delight.

Blue Dart has created distinct market differentiation in the service to e-tailing companies through advanced automation like field pickup process on handheld devices, credit card payments on field, proactive SMS notification on “Out for Delivery”, smarter reverse pickup registration, in-motion WDLs, customer APIs, improved Net Service Levels and Operations Service Quality Monitors.

The Company stands for value, quality, speed, efficiency, responsiveness and service experience. Blue Dart's service culture is further bolstered through the quality program – First Choice and initiatives such as Net Promoter Score and Key Account Management programs which serve as means of listening closely to the voice of the customer and acting on it to deliver delight in a process driven manner.

Blue Dart has been servicing the e-tailing industry ever since its emergence in India. Today, Blue Dart works with all leading e-tailing players through its best-in-class, highly differentiated, last-mile delivery offering and value-added services.

In 2014, Blue Dart successfully became a part of Deutsche Post DHL (DPDHL) Group's Post - eCommerce - Parcel (PeP) division which has further enabled the company to tap on the strong growth momentum seen in the dynamic e-tailing market in India. Blue Dart is investing in the right infrastructure - including IT, multiple delivery and payment options as part of its aim to become the preferred global provider of e-tailing related services which will enable end-to-end systems to deliver for e-tailing businesses.

Blue Dart has the largest retail footprint in the country. The Blue Dart – DHL ‘One Retail’ stores give access to every segment of the potential market, an opportunity to experience Blue Dart's express delivery services within the country and internationally through DHL Express (India) Pvt. Ltd.

### A RESPONSIBLE CORPORATE CITIZEN

Living Responsibility or in common parlance, ‘Corporate Responsibility’ is a core element of Blue Dart's corporate strategy.

Blue Dart, as a responsible corporate citizen believes that giving back to society is not just ‘corporate social responsibility’, but a duty towards its communities and the environment from where it draws its resources. More than ‘responsibility’ it is ‘sustainability’ that is its cornerstone.

In line with Deutsche Post DHL group's ‘Living Responsibility’, Blue Dart takes its responsibility to society, communities, employees and the environment seriously. Under this credo, Blue Dart (along with DPDHL group) focuses its corporate responsibility on environmental protection (GoGreen), disaster management (GoHelp) and championing education (GoTeach).

## OPPORTUNITIES AND FUTURE OUTLOOK

### Domestic economy's revival to augur well for sector

Post the change of government at the Center, the investment cycle appears to be restarting, with slightly improved sentiments at the consumer and investor level. Investments in Manufacturing and Infrastructure, coupled with growth in the sectors mentioned above will have a direct bearing on logistics sector growth. However, on the flipside, delays in implementation of key reforms, overall global pressures and increased hyper competition will need to be closely monitored and acted upon.

### Air Express – Growth Enablers

On the domestic document front, Banking, Financial Services and Insurance Industry (BFSI) is expected to grow in the next 5 years; primarily driven by increasing penetration. Credit cards and Loans (Personal, Home), which had a slowdown recently are showing signs of picking up. Regulatory easing and the recent granting of in-principle bank licenses to 21 entities for small and payment banks has raised expectation for quicker financial inclusion.

Educational services, a key consumer for express logistics market, will sustain its growth rate driven by increase in universities, colleges and exams.

On the domestic commercial packages segment, Drugs / Pharmaceuticals industry has been seeing a slowdown in growth rates over the last 2 years, however will continue to grow.

Medical equipment / Instruments has emerged as a key consumer industry with growth in healthcare industry and emergence of specialised equipment manufacturers hub is expected to grow.

### Ground Express – Growth Enablers

Industries are shifting ‘air’ shipments to ‘road’, due to cost pressures, and better availability of alternatives. Better infrastructure and the introduction of GST is expected to increase the preference for road express.

Drugs / Pharma industry has seen a moderate shift towards road express and is expected to grow. Automotive industry too is trending to utilise Ground Services.

Electrical industry has also seen a moderate shift and is expected to grow.

### E-tail Logistics – Growth Enablers

The e-tail logistics market is expected to grow moderately till 2020 driven by underlying e-tail market growth. The e-tail logistics market is riding on the wave of the booming e-tailing industry. Logistics market, being ~8-10%<sup>1</sup> of total GMV, is replicating the e-tailing

<sup>1</sup> ATK Study  
<sup>2</sup> IAMAI

<sup>3</sup> Armstrong & Associates, MOSL  
<sup>4</sup> Media Reports

## MANAGEMENT DISCUSSION AND ANALYSIS

growth. The share of logistics is expected to go down marginally with increase in scale and productivity improvements. The scale benefit is expected to be different for different assets like sorting centres etc. Last Mile productivity improvement due to increased density of shipments is also likely.

### RISKS AND CONCERNS

#### Air Express – Growth Inhibitors

On the domestic documents front, digitization is changing the operating model of the industry – more documents being sent electronically. The Banking, Financial Services and Insurance (BFSI) industry has increased the usage of the e-medium for sending statements, PIN generation for Debit / Credit cards etc. The improved measures of securing documents electronically (using OTP) reduces the need for secured documents.

On the domestic commercial packages segment, industries are shifting 'air' shipments to 'ground', due to cost pressures and better availability of alternatives. Pharmaceuticals, Automotive, IT and Consumer Electronics are such movers to ground due to better options on road and cost-cutting measures. The players from the Auto industry are opening regional warehouses and investing in better forecasting techniques to enable them to ship spares through ground express.

#### Ground Express – Growth Inhibitors

Cost pressures on key industries are pushing firms to consider Full Truck Load (FTL) options as an alternative to express.

#### E-tail Logistics – Growth Inhibitors

All major e-tailers are reducing dependence on the air network due to cost pressures and majority of the demand is being met regionally through their centres or the drop-ship model (supplies directly from vendor to customer). Specialist niche players are following the same approach with increasing pressure on profitability. E-tailers have a clear preference towards captive arms and specialist players. Majority of Metro / Tier-I shipments are given to captive / specialist players, while 70-80% shipments are given to 3PL players for Tier II+ cities. The 3PL players get bulkier / heavier shipments and cover distant geographies. The Operating Value Chain has seen the emergence of multiple innovations to reduce cost and enhance customer satisfaction e.g, automated parcel lockers, 3<sup>rd</sup> party pick-up points (parcel shops), mobile delivery units, crowd sourcing etc.

Infrastructural bottlenecks across modes (air, rail, road and waterways) have stifled growth of the sector and have promoted inefficiency. Capacity constraints and inefficiencies can be noted from the high transit time in rail as key train routes operate at >110% utilization, thus leading to an average speed of ~25km/hr. Road sector is fraught with inadequate and low quality highway

availability, thereby limiting the trucks' size and impacting economics.

Essentially 'First-world Industry', e-tailing is operating in a 'Third-world/under-developed' infrastructure set-up environment.

The industry will continue to remain a major employer in the country as every player expands in the wake of growth, thus creating direct and indirect employment but the industry faces infrastructure issues, high operating costs, bottlenecks in state border clearance, local VAT issues over e-tailing business, proposed Postal Bill, Draft Aviation Policy, Carriage by Road Act, Local Body Tax etc.

### Economic Factors

The Indian economy has consolidated the gains achieved in restoring macroeconomic stability from the beginning of last fiscal year (FY2015). Central Statistical Organization (CSO) expects GDP to grow by 7.6%<sup>4</sup> in FY2016. The gradual implementation of the structural reform agenda is expected to contribute to higher growth, even though progress is lacking so far on big-ticket reforms such as the Land Acquisition Amendment Bill and the Goods and Services Tax.

The implementation of legislative reforms has so far been difficult given the government's limited support in the Rajya Sabha, but executive reforms continue to be rolled out. The Budget for FY17 contained some further announcements of reforms, including measures related to the FDI regime, the financial sector and agriculture, illustrating that the government continues to gradually broaden its reform agenda.

India is relatively less exposed to external factors, including the Chinese slowdown and global capital flows. India's economic outlook will be primarily determined by domestic factors. India's GDP is expected to grow by 7-8%<sup>4</sup> in the next two years, i.e 2016-17 and 2017-18.

The Express industry is affected by economic factors like macroeconomic growth, inflation, crude oil prices, interest rates, foreign exchange rates, investments, tax rates etc. These affect the demand and cost structure.

The Aviation Turbine Fuel (ATF) price with its high price volatility and multiple rates across states due to different tax rates directly impacts operating margin. The Rupee depreciation impacts the aviation industry significantly as over 70% of its costs are in US Dollars. However, it's not just the cost of ATF that has been impacted but also those of aircraft lease and maintenance, petrol and diesel costs, computer and software license costs, annual maintenance contract (AMC) and other allied input costs.

To hedge the impact of price rises and Rupee depreciation several measures undertaken were continued during the year. Of these,

1 ATK Study  
2 IAMAI

3 Armstrong & Associates, MOSL  
4 Media Reports

## MANAGEMENT DISCUSSION AND ANALYSIS

notable has been customer friendly mechanisms such as Currency Adjustment Factor (CAF), Fuel Surcharge Mechanism (FSM) and Diesel Surcharge Mechanism (DSM).

Under these systems, the Company's margins will be shielded from both, the currency and fuel price fluctuation to the extent of the variable component included in the contracts.

The Company faces stiff pressure on margins largely due to increasing costs at private airports, increase in real estate and infrastructure cost and revision in minimum wages, besides challenge in recruitment and retention of employees, across the hierarchy.

### Government Policy

#### - Goods and Services Tax:

Given the passage of the Constitution (122nd) Amendment Bill, 2014 for Goods and Services Tax (GST) in the Lok Sabha on 6th May, 2015, the Government of India seems committed to replace all the indirect taxes levied on goods and services by the Centre and States and implement GST by 2016. With GST, it is anticipated that the tax base will be comprehensive, as virtually all goods and services will be taxable, with minimum exemptions.

**GST the game changer:** GST will be a game changing reform for Indian economy by developing a common Indian market and reducing the cascading effect of tax on the cost of goods and services. It will impact the Tax Structure, Tax Incidence, Tax Computation, Tax Payment, Compliance, Credit Utilization and Reporting leading to a complete overhaul of the current indirect tax system.

GST will have a far reaching impact on almost all aspects of business operations in the country, for instance, pricing of products and services, supply chain optimization, IT, accounting and tax compliance systems.

#### - Carriage by Road Act, 2007 and Carriage by Road Rules 2011:

As few of the provisions of Carriage by Road Act, 2007 and Carriage by Road Rules, 2011 could impact the express industry, the Express Industry Council of India (EICI), on behalf of its members has made representations before the 'Ministry of Road Transport and Highways' and has requested exclusion of 'courier companies' from the definition of 'Common Carrier'. The Ministry has responded to EICI that the representations are being reviewed & examined by it.

EICI has recently informed Member Group Companies that the Ministry and Committee recognized that there is a need for modifying the definition of 'Common Carrier' and have accordingly noted the same in their recommendation. An amendment to the

definition of 'Common Carrier' in the Act can only be done by an Act of Parliament, which may be a long drawn procedure.

In the meantime, the Company Management is assessing the implications of Carriage by Road Act and Rules formulated thereunder. The Company has filed the registration application with the office of Regional Transport Authority, Mumbai on February 1, 2016.

#### - Draft Civil Aviation:

The Ministry of Civil Aviation (MoCA) has put out a revised draft of the 'National Civil Aviation Policy', 2015 which aims to create a better eco system. The policy in its mission statement mentions safe, secure, affordable and sustainable air travel with access to various parts of India and the world.

We expect the government to not only speed up the task of developing airports but also ensure that access to business, manufacturing etc. is also developed. Also for quick processing of export and import cargo by the express players effective 24x7 functioning of customs is a prerequisite.

#### - Postal Bill:

The New Postal Bill which was proposed earlier, covering the Express Industry, was withdrawn due to the opposition from stakeholders. However, the Postal Department had revived the Bill with the same provisions which were in existence in the previous Bill. The Postal Bill, if implemented, is likely to have an adverse impact on the express industry, resulting in market share loss due to restrictions and higher service charges.

### Regulatory Hurdles

The industry faces a threat from the implementation of long standing restrictive regulations. The inter-state movement of goods in India is subject to multiple taxes and clearances, which are unique in each state, resulting in considerable paperwork and transactions in the inter-state movement of goods and increase in transit time. In particular, the application of VAT over e-tailing B2C business is a major issue that hinders growth. All of this also leads to considerable delays and affects overall operations.

Similarly Local Body Tax (LBT) levied by local bodies in lieu of Octroi on entry of goods in the municipal limits in the state of Maharashtra is a deterrent for business, especially for e-tailing companies as they are not generally registered locally.

The Entry Tax is a tax designed to be levied on the value of consignments that enters a state. The collection of Entry Tax is anti-consumer and reduces the benefits of e-tailing to the end-consumer. After getting a stay from the Uttarakhand High Court over the issue of entry tax and a favourable judgement from the



## MANAGEMENT DISCUSSION AND ANALYSIS

Kolkata High Court, it is expected that these judgements would act as a deterrent for other states that are in the process of imposing Entry Tax.

Customs clearance also remains an area of concern since few shipments require additional NOCs from the regulatory authorities. The cumbersome checking process and verification of documents makes the process inefficient and results into increased operational costs and delays.

### COMPETITION

The organised and unorganised segments have their own share of competition and unique positioning and challenges. The smaller and regional players have limited network and operate in specific regions. These players also act as agents for larger players and price plays a major differentiator. The larger players have wider national and global network and systems.

Brand Equity plays a major role to garner market share and charge premium.

The rise of the e-tailing industry has also resulted into the sprouting of three distinct types of express logistics solutions in India. The first type are the traditional express service providers who apart from working and offering solutions to the other industries also started working with e-tailers. Express companies like Blue Dart offer the widest solutions to e-tailing players.

The second type consists of dedicated express service providers delivering e-tailing shipments only, those that offer niche, dedicated express services delivering shipments of e-tailing players only with limited geographical reach.

The third type comprises captive / outsourced manpower where e-tailing players have set up their own logistics primarily within metro locations. These are initiatives undertaken towards cost control.

With good funding these captive arms of leading e-tailers have now started expanding their market / offering and competing with the traditional and niche express players. They have offered their solutions to other e-tailing portals and are now approaching other 'brick & mortar' industries.

### INFRASTRUCTURE ISSUES

#### Air Infrastructure

The operating cost at most airports across India has also multiplied manifold without any significant improvement or differentiation in services offered, post the privatisation of major airports. The air infrastructure in the country continues to be inadequate in terms of cities covered and cargo handling capacities leading to significantly

higher dwell time as compared to international standards. Insufficient aircraft bays, truck docking stations, limited space for express terminals and clearance processes lead to delays and impact operational cost.

There is also a tendency amongst private airport operators to increase costs such as lease rental etc. in an adhoc manner without correlation to market realities or any justification.

#### Road Infrastructure

While a lot of efforts are underway to improve the Indian road infrastructure, the average speed of travel still remains dismally low with an average speed of 25-30kms/hour as compared to averages of 80kms/hour in advanced economies. In addition, road transport has to pass through numerous checkpoints which impact the transit time and efficiency. The need to use smaller vehicles during day hours in cities leads to an increase in operating cost per move.

With increased budgeted outlays, if infrastructure reforms are implemented, it could have a significant impact on the overall logistics segment.

Despite these challenges, Blue Dart performed reasonably well on all fronts and capitalized on its strong brand equity and focused growth plans, customer loyalty and service quality.

### INTERNAL CONTROLS AND ITS ADEQUACY

Across industries, internal process control and systems play a critical role in the health of a Company. An effective system of internal controls form a keystone necessary for building, maintaining and improving shareholders' value and helps to enhance the overall quality of the business and enterprise. Blue Dart remains committed to ensuring an effective internal control environment that provides assurance on the efficiency of operations and the security of assets. Blue Dart has a sound internal control system to ensure that all assets are protected against loss from unauthorised use. All transactions are recorded and reported correctly. The Company's internal control system is further supplemented by internal audits carried out by the internal audit team along with co-sourced audit firm, KPMG. Well-established and robust internal audit processes, both at business and corporate levels, continuously monitor the adequacy and effectiveness of the internal control environment across the Company and the status of compliance with operating systems, internal policies and regulatory requirements.

The Audit Committee of the Board addresses significant issues raised by both the Internal Auditors and Statutory Auditors.

The Company also conducts Risk Assessment Workshops annually to define and identify what the Company's most significant risks are and how those risks can be mitigated. The members of the Senior Management actively participate and deliberate in the risk

1 ATK Study  
2 IAMAI

3 Armstrong & Associates, MOSL  
4 Media Reports

## MANAGEMENT DISCUSSION AND ANALYSIS

workshops. The company has laid the foundation of internal risk framework.

### HUMAN RESOURCE DEVELOPMENT

Blue Dart is an Employer of Choice. A people-focused company, the Human Resources (HR) function aligns business objectives and people to forge an effective partnership. The following are some of the key areas of emphasis and results.

#### Employee Morale & Motivation

9,313 employees participated in the Employee Satisfaction Survey (ESS) with a survey turnout of a high 99.3%. The mean satisfaction for the year recorded a high score of 4.71. Other high-scoring areas were 'Pride in Working for Blue Dart' (4.85); 'My future in Blue Dart' (4.75); Employee Engagement (4.70). 'Job secured with good performance', 'Blue Dart does a good job for customers' and 'Working in Blue Dart is good for me' all ranked high.

#### Performance Management

The role and grade structure were reviewed keeping in view the business growth, increased complexities and operational challenges.

#### Competency Development

Blue Dart has conceptualized a customized supervisory Leadership Development Program with an objective to develop the leadership capability of the frontline supervisors in Operations called The New Age Leadership Development Program (NALDP). The three stages are Prarambh – Key supervisory skills; Neev – Team building and management skills and Udaan – Leadership skills.

Managerial Effectiveness Program (MEP - for Managerial Skills Development for Managers with teams under them) was launched to enhance leadership skills of managers.

#### Bench strength of Leadership Pipeline

In an effort to fortify the bench strength and leadership pipeline, fresh talents are infused and groomed to take on future leadership roles. Some of the initiatives are:

Graduate Executive Trainee (GET) program, called Umang, a career development initiative for nurturing young talent and grooming them to become future leaders. The Blue Dart Management Trainee Development Program strengthens the future leadership pipeline.

#### Employee Wellness and Well Being

### WORK LIFE BALANCE INITIATIVES

In order to enhance the work life balance of employees the following new policies/initiatives were announced during the year.

- Half day leave on birthdays for employees to spend quality time with family.
- Extension in maternity leave from 90 to 180 days with full pay and followed by flexi-timing option for at least 5 hours for additional 2 more months post joining. Extension in Paternity leave from 4 to 6 days.
- Special leave of 7 days for employees whose children are appearing in class 10th and 12th board examination. This is one of the unique initiatives adopted at Blue Dart as a best practice.

#### Other Programs

**Upstairs 2015:** As part of the Deutsche Post DHL Group's corporate responsibility strategy, we continued with UPstairs, a GoTeach initiative that promotes equal education opportunity for the children of Blue Dart employees. **Appreciation Week:** The 1st ever Appreciation Week was formally launched on 9<sup>th</sup> November 2015 and went on till 21<sup>st</sup> November 2015. **Idea Management:** The initiative acts as a platform wherein employees can share, exchange, discuss and implement new ideas in areas ranging from cost reduction, saving, revenue generation, new product, process improvement, improving customer service, etc.

### EMPLOYEE REWARD & RECOGNITION

In order to keep the motivation level high of the employees and recognize outstanding work done by them, 12 employees were honored with the 'Employee of the Year' award in Singapore for their excellent contribution. 1,311 employees were awarded with the on-the-spot Bravo award by individual managers for excellent work. 81 employees were awarded the prestigious Super Darter award for achievements beyond the call of duty. The Company is proud that 806 Blue Darters joined the True Blue Club, on completion of 5 years of service.

#### CAUTIONARY STATEMENT

***The statement forming part of this Report may contain certain forward looking remarks with the meaning of applicable Securities Law and Regulations. Many factors could cause the actual results, performances, or achievements of the company to be materially different from any future results, performances, or achievements. Significant factors that could make a difference to the Company's operations include domestic and international economic conditions, changes in government regulations, tax regime and other statutes.***



## CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION



To the Board of Directors,

### BLUE DART EXPRESS LIMITED

We, Anil Khanna, Managing Director and Yogesh Dhingra, Chief Financial Officer and Chief Operating Officer of Blue Dart Express Limited, to the best of our knowledge and belief certify that:

- A. We have reviewed financial statements and the cash flow statement of Blue Dart Express Limited for the year ended March 31, 2016 and that to the best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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. We also state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
  - iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**Anil Khanna**  
Managing Director

**Yogesh Dhingra**  
Chief Financial Officer &  
Chief Operating Officer

Place : Mumbai  
Date : April 15, 2016

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### DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management of the Company have confirmed compliance with the Code of Conduct for the current year, as adopted by the Company.

**Anil Khanna**  
Managing Director

Place: Mumbai  
Date : April 15, 2016

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Blue Dart Express Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. 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 judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. 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.

### Opinion

8. 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 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, 2016, and its profit and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.



## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

10. 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.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement 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 Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) 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, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - 1. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2016 on its financial position in its standalone financial statements – Refer Note 33;
  - 2. The Company has long-term contracts including derivative contracts as at March 31, 2016 for which there were no material foreseeable losses;
  - 3. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

Place: Mumbai  
Date: April 15, 2016

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Blue Dart Express Limited on the standalone financial statements as of and for the year ended March 31, 2016

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Blue Dart Express Limited ("the Company") as of March 31, 2016 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

2. 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 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 Act.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 applicable to an audit of internal financial controls and both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating

effectiveness of internal controls 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.

5. 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 system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 over financial reporting 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 unauthorized 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Blue Dart Express Limited on the standalone financial statements as of and for the year ended March 31, 2016

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.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

Place: Mumbai  
Date: April 15, 2016

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Blue Dart Express Limited on the standalone financial statements as of and for the year ended March 31, 2016

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover some items of assets every year, some items once every two years and the rest once every three years, basis the cost threshold specified by Management for this purpose, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets covered by the programme have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 11 on fixed assets to the financial statements, are held in the name of the Company.
2. The physical verification of inventory of packing and stationery consumables has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. The Company has granted unsecured loans, to one company covered in the register maintained under Section 189 of the Act. There are no firms or other parties covered in the register maintained under Section 189 of the Act.
  - (a) In respect of the aforesaid loans, the terms and conditions under which such loans were granted are not prejudicial to the Company's interest.
  - (b) In respect of the aforesaid loans, the schedule of repayment of principal and payment of interest has been stipulated, and the party is repaying the principal amounts, as stipulated, and is also regular in payment of interest as applicable.
  - (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
4. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
5. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
6. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.

7. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax and employees' state insurance, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, service tax, duty of customs and other material statutory dues, as applicable, with the appropriate authorities. As informed to us, sales tax, duty of excise and value added tax are not applicable to the Company for the current year.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales tax, service tax, duty of customs, duty of excise which have not been deposited on account of any dispute. The particulars of dues of income tax and value added tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount in ₹ Lacs	Period to which the amount relates	Forum where the dispute is pending
Kerala VAT Act, 2003	Tax, Interest and Penalty	2,088	Financial Years 2011-12 to 2013-14	The High Court of Kerala

8. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
9. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans during the year under review. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
11. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.



## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Blue Dart Express Limited on the standalone financial statements as of and for the year ended March 31, 2016

13. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
15. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

Place: Mumbai  
Date: April 15, 2016

## BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	2,376	2,376
Reserves and Surplus	4	37,734	27,334
		40,110	29,710
<b>NON-CURRENT LIABILITIES</b>			
Long-Term Borrowings	5	33,219	33,219
Deferred Tax Liabilities (Net)	6	1,229	1,028
Long-term Provisions	7	1,444	1,450
		35,892	35,697
<b>CURRENT LIABILITIES</b>			
Trade Payables	8		
Total outstanding dues of micro enterprises and small enterprises		215	181
Total outstanding dues of creditors other than micro enterprises and small enterprises		13,967	12,299
Other Current Liabilities	9	18,036	12,711
Short-term Provisions	10	9,649	6,824
		41,867	32,015
<b>TOTAL</b>		<b>117,869</b>	<b>97,422</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Tangible Assets	11	19,781	17,025
Intangible Assets	11	4,873	4,513
Capital Work-in-Progress		281	486
Intangible Assets under development		1,772	2,054
		26,707	24,078
Non-Current Investments	12	7,345	1,977
Long-term Loans and Advances	13	13,781	17,636
Other Non-Current Assets	14	113	58
		21,239	19,671
<b>CURRENT ASSETS</b>			
Inventories	15	518	395
Trade Receivables	16	31,898	29,140
Cash and Bank Balances	17	28,705	16,563
Short-term Loans and Advances	18	8,731	7,098
Other Current Assets	19	71	477
		69,923	53,673
<b>TOTAL</b>		<b>117,869</b>	<b>97,422</b>

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For and on behalf of the Board of Directors

**For Price Waterhouse**

Firm Registration Number: 301112E  
Chartered Accountants

**Sharad Upasani**

Chairman  
DIN:01739334

**Anil Khanna**

Managing Director  
DIN:01334483

**Malcolm Monteiro**

Director  
DIN:00089757

**Surendra Sheth**

Director  
DIN:00089981

**Sumit Seth**

Partner  
Membership No. 105869

**Thomas Kipp**

Director  
DIN:06921955

**Narendra Sarda**

Director  
DIN:03480129

**Yogesh Dhingra**

Chief Financial Officer &  
Chief Operating Officer

**Tushar Gunderia**

Company Secretary

Place: Mumbai  
Date: April 15, 2016

Place: Mumbai  
Date: April 15, 2016

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>REVENUE</b>			
Revenue from Operations	20	255,386	226,850
Other Income	21	2,829	2,448
<b>Total Revenue</b>		<b>258,215</b>	<b>229,298</b>
<b>EXPENSES</b>			
Freight, Handling and Servicing Costs (Net)	22	156,964	151,724
Employee Benefits Expense	23	39,763	31,945
Finance Costs	24	3,114	1,121
Depreciation and Amortisation Expense	25	3,970	4,354
Other Expenses	26	25,427	20,798
<b>Total Expenses</b>		<b>229,238</b>	<b>209,942</b>
<b>PROFIT BEFORE TAX</b>		<b>28,977</b>	<b>19,356</b>
Tax Expense:			
Current Tax		9,788	7,244
Deferred Tax		201	(572)
<b>PROFIT FOR THE YEAR</b>		<b>18,988</b>	<b>12,684</b>
<b>Earnings Per Equity Share</b> [Refer note 27]			
[Nominal value of share ₹ 10 each] (Previous Year - ₹ 10)			
Basic Earnings Per Share (in ₹)		80.02	53.46
Diluted Earnings Per Share (in ₹)		80.02	53.46

The accompanying notes are an integral part of these financial statements.

As per our report of even date

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**Sharad Upasani**  
Chairman  
DIN:01739334

**Thomas Kipp**  
Director  
DIN:06921955

Place: Mumbai  
Date: April 15, 2016

**Anil Khanna**  
Managing Director  
DIN:01334483

**Narendra Sarda**  
Director  
DIN:03480129

**Malcolm Monteiro**  
Director  
DIN:00089757

**Yogesh Dhingra**  
Chief Financial Officer &  
Chief Operating Officer

**Surendra Sheth**  
Director  
DIN:00089981

**Tushar Gunderia**  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>A. Cash flows from Operating activities:</b>		
Profit before Taxation	28,977	19,356
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	3,970	4,354
Interest expense	3,114	1,121
Interest income	(1,388)	(1,780)
Dividend from mutual funds	(775)	(484)
(Gain)/Loss on sale/scrapping of fixed assets (Net)	38	8
Gain on account of Foreign exchange	(62)	(38)
Bad debts written off	144	134
Liabilities no longer required written back	(80)	(5)
Provision for Compensated Absences	275	296
Provision for Gratuity	(305)	919
<b>Operating profit before working capital changes</b>	<b>33,908</b>	<b>23,881</b>
<b>Adjustments for changes in working capital:</b>		
(Increase) / Decrease in Inventories	(123)	(123)
(Increase) in Trade Receivables	(2,841)	(2,564)
(Increase) / Decrease in Loans and advances	(1,420)	(1,396)
Increase in Trade payables and other current liabilities	7,000	2,799
<b>Cash generated from Operations</b>	<b>36,524</b>	<b>22,597</b>
Taxes paid (net of refunds)	(9,523)	(7,262)
<b>Net cash from Operating activities</b>	<b>27,001</b>	<b>15,335</b>
<b>B. Cash flows from Investing activities:</b>		
Purchase of fixed assets	(6,866)	(4,414)
Changes in capital work in progress	488	(1,568)
Proceeds from sale of fixed assets	429	11
Interest received/settled	1,356	1,745
Dividend from mutual funds	775	484
Investments in mutual funds	(304,291)	(270,383)
Redemptions from mutual funds	304,291	270,383
Investment in Blue Dart Aviation Limited	(5,368)	-
Loans repaid/settled by Blue Dart Aviation Limited	3,208	6,943
Investment in Bank fixed deposits (Maturity period more than 3 months)	(55)	(15)
<b>Net cash (used in) / from Investing activities</b>	<b>(6,033)</b>	<b>3,186</b>
<b>C. Cash flows used in Financing activities:</b>		
Proceeds from issue of Non Convertible Debentures	-	33,219
Interest paid	(3,114)	(1,121)
Dividend paid	(4,746)	(36,778)
Dividend distribution tax paid	(994)	(7,407)
Debenture issue expenses paid	-	(466)

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>Net cash used in Financing activities</b>	<b>(8,854)</b>	<b>(12,553)</b>
<b>Net change in Cash and Cash Equivalents</b>	<b>12,114</b>	<b>5,968</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>16,506</b>	<b>10,538</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>28,620</b>	<b>16,506</b>
<b>Cash and Cash Equivalents:</b>		
Cash on hand	145	197
Cheques and Drafts on hand	1,016	1,064
Balances with banks:		
In current accounts	7,459	7,845
Deposits with maturity period less than 3 months	20,000	7,400
	<b>28,620</b>	<b>16,506</b>
<b>Other Bank balances:</b>		
On Unpaid dividend accounts	63	57
On Unpaid interest account	22	-
	<b>28,705</b>	<b>16,563</b>

### Notes:

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard on Cash Flow Statements (AS-3) as notified under the Companies Act, 1956 (the "Act") read with Section 133 of the Companies Act, 2013 and Rule 7 of the Companies Act, (Accounts) Rules 2014.
- Previous year's figures have been regrouped/reclassified wherever necessary to conform to the current year's classification (Refer note 40).

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date

For and on behalf of the Board of Directors

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

**Sharad Upasani**  
Chairman  
DIN:01739334

**Thomas Kipp**  
Director  
DIN:06921955

Place: Mumbai  
Date: April 15, 2016

**Anil Khanna**  
Managing Director  
DIN:01334483

**Narendra Sarda**  
Director  
DIN:03480129

**Malcolm Monteiro**  
Director  
DIN:00089757

**Yogesh Dhingra**  
Chief Financial Officer &  
Chief Operating Officer

**Surendra Sheth**  
Director  
DIN:00089981

**Tushar Gunderia**  
Company Secretary



## SCHEDULES

### Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

#### 1 General Information

Blue Dart Express Limited ('the Company') is engaged in the business of integrated air and ground transportation and distribution of time sensitive packages to various destinations, primarily within India. The Company is a public limited company and its equity shares and debentures are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

#### 2 Significant Accounting Policies

##### a. Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 1, 2016.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

##### b. Fixed Assets and Depreciation/Amortisation

###### Tangible Assets:

Tangible assets, other than freehold land, are stated at acquisition cost, net of accumulated depreciation.

Subsequent expenditure related to an item of fixed assets is added to its book value if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Freehold land is stated at cost.

Capital work-in-progress represents fixed assets that are not yet ready for their intended use as at the balance sheet date.

###### Intangible Assets:

Intangible assets are stated at acquisition cost net of accumulated amortisation. The Company capitalises identifiable costs relating to development of internally generated software and these are stated net off accumulated amortization.

Goodwill represents the excess of the value of the erstwhile partnership business as a whole over its net asset value as at the date of incorporation as a Company.

Intangible assets under development comprises cost relating to development of software that are not yet ready for their intended use as at the balance sheet date.

###### Depreciation/Amortisation

Depreciation on tangible assets is calculated on a straight-line basis as per the rates as prescribed under Schedule II of the Companies Act, 2013, except in respect of the following assets where the estimated useful lives of the assets based on the technical evaluation, have not undergone a change on account of transition to the Companies Act, 2013.

Computers	3 to 6 years
-----------	--------------

Depreciation for assets purchased/sold during a year is proportionately charged. Individual assets costing upto ₹ 5,000 are depreciated over a period of one year from the date put to use.

Computer software, other than internally generated, is amortised under straight line method over the estimated useful life of 6 years. Internally generated software is amortised using the straight-line method over a period of 10 years, based upon its estimated useful economic life.

Goodwill is amortised over a period of 20 years using the straight-line method.

##### c. Impairment of Assets

The Company assesses at each reporting date whether there is any indication that an asset (tangible or intangible) may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. Where 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. Impairment losses are recognised in the Statement of Profit and Loss. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased and such reversal is recorded in the Statement of Profit and Loss.

##### d. Investments

Investments, which are readily realizable and intended to be

## SCHEDULES

### Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at cost or fair value, whichever is less. Non-current investments are stated at cost. Provision for diminution in value is made, if necessary, to recognise a decline, other than temporary, in the value of non-current investments.

#### e. Inventories

Inventories are stated at lower of cost and net realisable value.

Inventories primarily consist of packing and stationery consumables which are valued at cost (arrived at using First-in First-out basis).

#### f. Revenue Recognition

##### Service Charges:

Service charges for transportation of shipments are recognised as income when shipments are manifested and represent amounts invoiced, net of service tax and all discounts.

##### Interest Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

##### Dividend Income:

Dividend income is recognised when the right to receive the dividend is established.

#### g. Foreign Currency Transactions

##### Initial Recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences on restatement and settlement of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

#### h. Employee Benefits

##### Defined Contribution Plans:

Contribution towards Provident Fund for all employees are made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation is classified as a defined contribution scheme of the Company. Contribution due towards Superannuation

Fund for eligible employees is made to an insurance company, and the Company has no further obligation beyond making this payment.

The Company also contributes to State plans, namely Employee's State Insurance Fund and Employee's Pension Scheme 1995, and has no further obligation beyond making its contribution.

Company's contributions to the above funds are charged to the Statement of Profit and Loss for the year for which the contributions are due for payment.

##### Defined Benefit Plans:

##### Gratuity:

The Company provides for gratuity, under a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's basic salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

##### Compensated absences :

- (i) Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the Balance Sheet date are treated as short term employee benefits. The liability in respect of compensated absences of short term nature is not actuarially valued and is provided on an estimated basis.
- (ii) Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of Balance Sheet date are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### i. Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rental payments are recognized as an expense in the Statement of Profit and Loss.

#### j. Current and Deferred Tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation

## SCHEDULES

### Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

laws during the relevant assessment year.

Deferred tax is recognised for all timing differences, subject to consideration of prudence, in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty (virtual certainty in respect of any carried forward losses and unabsorbed depreciation) that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

#### **k. Provisions**

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

#### **l. Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **m. Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

#### **n. Use of Estimates**

The preparation of Financial Statements in accordance with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of Financial Statements and the reported amount of expenses of the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised in the accounting period in which such revision takes place.

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>3 Share Capital</b>		
Authorised		
40,000,000 equity shares (Previous Year : 40,000,000) of ₹ 10 each	4,000	4,000
Issued, Subscribed and Paid up		
23,727,934 equity shares (Previous Year : 23,727,934) of ₹ 10 each fully paid-up	2,373	2,373
Add: Forfeited Shares	3	3
<b>Total</b>	<b>2,376</b>	<b>2,376</b>

### a. Reconciliation of the number of shares

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount (₹ In lacs)	Number of shares	Amount (₹ In lacs)
Balance as at the beginning of the year	2,37,27,934	2,373	2,37,27,934	2,373
Additions/Deletions during the year	-	-	-	-
Balance as at the end of the year	2,37,27,934	2,373	2,37,27,934	2,373

### b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

### c. Shares held by holding company

Out of the above equity shares issued by the Company, shares held by the holding company:

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
DHL Express (Singapore) Pte. Limited, Singapore the Holding Company		
17,795,950 (Previous Year : 17,795,950) equity shares of ₹ 10 each fully paid up	1,780	1,780

### d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
	Number of shares	%	Number of shares	%
DHL Express (Singapore) Pte. Ltd., Singapore	17,795,950	75.00%	17,795,950	75.00%
Derive Trading Private Limited (along with persons acting in concert)	1,268,696	5.35%	1,270,147	5.35%

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>4 RESERVES AND SURPLUS</b>		
<b>Securities Premium Reserve</b>		
Balance as at the beginning of the year	3,475	3,941
utilisation during the year	-	466
<b>Balance as at the end of the year</b>	<b>3,475</b>	<b>3,475</b>
<b>General Reserve</b>		
Balance as at the beginning of the year	6,193	6,491
Less: Retrospective impact of depreciation as per Companies Act 2013 as of April 1, 2014	-	298
<b>Balance as at the end of the year</b>	<b>6,193</b>	<b>6,193</b>
<b>Debenture Redemption Reserve</b>		
Balance as at the beginning of the year	972	-
Add: Transferred from Surplus in Statement of Profit and Loss during the year	2,333	972
	<b>3,305</b>	<b>972</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	16,694	50,721
Add: Profit for the year	18,988	12,684
Less: Appropriations		
Interim Dividend	-	33,219
Proposed Dividend	7,118	4,746
Dividend Distribution Tax	1,470	7,774
Transfer to Debenture Redemption Reserve	2,333	972
<b>Balance as at the end of the year</b>	<b>24,761</b>	<b>16,694</b>
<b>Total</b>	<b>37,734</b>	<b>27,334</b>

During previous year, the Company had issued and allotted 166,095,538 nos. of Series I, 94,911,736 nos. of Series II and 71,183,802 nos. of Series III, Unsecured Redeemable Non-convertible Fully Paid Debentures of ₹ 10 each by way of Bonus, aggregating to ₹ 33,219 Lacs to its shareholders by appropriating the Surplus in the Statement of Profit and Loss through a Scheme of Arrangement (Scheme) approved by Hon'ble High Court of Mumbai and other relevant authorities.

The Company has also created a Debenture Redemption Reserve amounting to ₹ 3,305 Lacs (Previous Year - ₹ 972 Lacs) as per the requirements of the Act and in accordance with the clarifications given by the Ministry of Corporate Affairs.



## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

### 5 LONG-TERM BORROWINGS

#### Unsecured Non Convertible Debentures

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Unsecured Debentures (Series I)	16,610	16,610
Unsecured Debentures (Series II)	9,491	9,491
Unsecured Debentures (Series III)	7,118	7,118
<b>Total</b>	<b>33,219</b>	<b>33,219</b>

All the above Debentures series (I, II and III) are issued on November 21, 2014 and the redemption period for the said series I, II and III is 36 months, 48 months and 60 months respectively from the date of allotment.

The Company has accrued and paid interest on the said Debentures for the period from April 1, 2015 to March 31, 2016 aggregating to ₹ 3,113 Lacs.

### 6 DEFERRED TAX LIABILITY (NET)

[Refer note 2(j)]

#### Deferred Tax Liability

Depreciation	2,079	1,984
Others	313	-
<b>Gross Deferred Tax Liability</b>	<b>2,392</b>	<b>1,984</b>

#### Deferred Tax Assets

Provision for Compensated Absences	643	538
Provision for Bonus	253	88
Provision for Gratuity	231	330
Others	36	-
<b>Gross Deferred Tax Assets</b>	<b>1,163</b>	<b>956</b>
<b>Total</b>	<b>1,229</b>	<b>1,028</b>

### 7 LONG-TERM PROVISIONS

Provision for employee benefits:

Provision for Gratuity [Refer notes 2(h), 2(k) and 23]	-	223
Provision for Compensated Absences [Refer notes 2(h), 2(k) and 23]	1,444	1,227
<b>Total</b>	<b>1,444</b>	<b>1,450</b>

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>8 TRADE PAYABLES</b>		
Trade Payables (Refer note 31 for details of dues to Micro and Small enterprises)		
Total outstanding dues of micro enterprises and small enterprises	215	181
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,967	12,299
<b>Total</b>	<b>14,182</b>	<b>12,480</b>
<b>9 OTHER CURRENT LIABILITIES</b>		
Employee benefits payable	4,187	1,532
Unpaid Dividends (Refer note below)	63	57
Statutory dues (including Provident Fund, Superannuation, Employees State Insurance and Tax Deducted at Source)	881	552
Trade Deposits	1,432	1,208
Payables towards 'Cash on Delivery' shipments (Refer note 17)	5,177	4,964
Unpaid Interest (Refer note below)	22	-
Other payables	6,274	4,398
Note: There are no amounts due for payment to the Investor Education and Protection Fund under Section 205(C) of the Companies Act, 1956 as at year end		
<b>Total</b>	<b>18,036</b>	<b>12,711</b>
<b>10 SHORT TERM PROVISIONS</b>		
Provision for employee benefits:		
Provision for Gratuity [Refer notes 2(h), 2(k) and 23]	667	749
Provision for Compensated Absences [Refer notes 2(h), 2(k) and 23]	415	357
Other Provisions:		
Provision for Proposed Dividend on Equity Shares	7,118	4,746
Provision for Dividend Distribution Tax on Proposed Dividend on Equity shares	1,449	972
<b>Total</b>	<b>9,649</b>	<b>6,824</b>

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

### 11. FIXED ASSETS

[Refer notes 2(b), 2(c), 25 and 32]

in ₹ Lacs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2015	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Tangible Assets:</b>									
Land - Freehold	3,963	-	-	3,963	-	-	-	-	3,963
Buildings	2,017	45	-	2,062	550	53	-	603	1,459
Office Equipment	2,330	1,009	43	3,296	1,135	338	35	1,438	1,858
Electrical Equipment	4,567	675	97	5,145	2,281	509	88	2,702	2,443
Computers	7,694	1,798	466	9,026	4,626	936	447	5,115	3,911
Furniture and Fixtures	7,090	1,422	39	8,473	3,336	819	39	4,116	4,357
Vehicles	340	0*	88	252	211	32	80	163	89
Material Handling Equipment	876	750	(14)	1,640	212	85	2	295	1,345
Machinery and Equipment	1,230	62	10	1,282	731	204	9	926	356
<b>Total Tangible Assets</b>	<b>30,107</b>	<b>5,761</b>	<b>729</b>	<b>35,139</b>	<b>13,082</b>	<b>2,976</b>	<b>700</b>	<b>15,358</b>	<b>19,781</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2015	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Intangible Assets:</b>									
Goodwill	300	-	-	300	300	-	-	300	-
Computer Software	5,647	1,354	4	6,997	2,837	754	4	3,587	3,410
Internally Generated Software	2,397	-	-	2,397	694	240	-	934	1,463
<b>Total Intangible Assets</b>	<b>8,344</b>	<b>1,354</b>	<b>4</b>	<b>9,694</b>	<b>3,831</b>	<b>994</b>	<b>4</b>	<b>4,821</b>	<b>4,873</b>

\* Amount is below the rounding off norm adopted by the Company

#### Notes:

- As a prudent practice, Company has been depreciating full value of the assets, though the assets will have residual value and Companies Act, 2013, also allows upto 5% to be retained as a residual value.
- Deductions/Adjustments include reclassification from one category to another category of asset.

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

### 11. FIXED ASSETS

[Refer notes 2(b), 2(c), 25 and 32]

in ₹ Lacs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION					NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	Retrospective impact of depreciation as of April 1, 2014 [Refer Note (a) below]	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Tangible Assets:</b>										
Land - Freehold	3,963	-	-	3,963	-	-	-	-	-	3,963
Buildings	2,013	4	-	2,017	498	-	52	-	550	1,467
Office Equipment	1,980	381	31	2,330	694	161	296	16	1,135	1,195
Electrical Equipment	4,245	358	36	4,567	1,687	100	523	29	2,281	2,286
Computers	6,620	1,203	129	7,694	4,003	-	753	130	4,626	3,068
Furniture and Fixtures	6,602	512	24	7,090	2,316	189	854	23	3,336	3,754
Vehicles	322	23	5	340	182	-	34	5	211	129
Aircraft Engines	1,087	-	1,087	-	1,087	-	-	1,087	-	-
Aircraft [Refer Note (b) below]	3,002	-	3,002	-	2,084	-	666	2,750	-	-
Aircraft Components and Overhaul [Refer Note (b) below]	2,052	-	2,052	-	1,829	-	129	1,958	-	-
D-Check on Aircraft [Refer Note (c) below]	1,146	-	1,146	-	1,146	-	-	1,146	-	-
Ground Handling Equipment	901	183	208	876	252	-	80	120	212	664
Machinery and Equipment	1,159	76	5	1,230	541	-	193	3	731	499
<b>Total Tangible Assets</b>	<b>35,092</b>	<b>2,740</b>	<b>7,725</b>	<b>30,107</b>	<b>16,319</b>	<b>450</b>	<b>3,580</b>	<b>7,267</b>	<b>13,082</b>	<b>17,025</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION					NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	Retrospective impact of depreciation as of April 1, 2014 [Refer Note(a) below]	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Intangible Assets:</b>										
Goodwill	300	-	-	300	300	-	-	-	300	-
Computer Software	4,360	1,287	0*	5,647	2,304	-	534	1	2,837	2,810
Internally Generated Software	2,397	-	-	2,397	454	-	240	-	694	1,703
<b>Total Intangible Assets</b>	<b>7,057</b>	<b>1,287</b>	<b>-</b>	<b>8,344</b>	<b>3,058</b>	<b>-</b>	<b>774</b>	<b>1</b>	<b>3,831</b>	<b>4,513</b>

\* Amount is below the rounding off norm adopted by the Company

#### Notes:

- During the year, the management reassessed the remaining useful life of assets as prescribed in Schedule II of the Companies Act, 2013, and has taken additional depreciation charge of ₹ 942 Lacs for the twelve months period ended March 31, 2015 in addition to ₹ 298 Lacs (net of tax) adjusted to General Reserve being the carrying value of assets having a Nil revised remaining useful life as of April 1, 2014.
- During the year, the company has reassessed the useful life of the aircraft and has recorded accelerated depreciation charge amounting to ₹ 548 Lacs on the aircraft.
- As at March 31, 2015, the Company has decided to sell the Aircraft and it's components and accordingly it has been classified as "Held for Sale" under other Current Assets.
- As a prudent practice, Company has been depreciating full value of the assets, though the assets will have residual value and Companies Act, 2013, also allows upto 5% to be retained as a residual value.
- D-Check on Aircraft represents costs incurred towards heavy maintenance and mandatory checks carried out on Aircraft exclusively operated for the Company.
- Deductions/Adjustments include reclassification from one category to another category of asset.

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>12 NON-CURRENT INVESTMENTS</b>		
Trade investments (valued at cost)		
[Refer note 2(d)]		
Unquoted equity investments		
Investment in Subsidiaries		
Current year 17,760,000 (Previous Year - 11,760,000 ) equity shares of ₹ 10 each in Blue Dart Aviation Limited (Refer note 39)	7,199	1,831
1,10,000 (Previous Year - 1,10,000) equity shares of ₹ 10 each fully paid up in Concorde Air Logistics Limited	146	146
<b>Total</b>	<b>7,345</b>	<b>1,977</b>
Aggregate amount of unquoted investments	7,345	1,977
<b>13 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated)		
Loans to Subsidiary (Refer note 34)	5,437	9,348
Aircraft Payload Deposit to Subsidiary	2,150	2,150
Advance income tax [net of provision for taxation ₹ 47,385 in Lacs, Previous Year ₹ 37,597 in Lacs] [Refer note 2(j)]	692	957
Capital advances	283	452
Deposits	5,165	4,672
Other loans and advances:		
Prepaid expenses	54	57
<b>Total</b>	<b>13,781</b>	<b>17,636</b>
<b>14 OTHER NON-CURRENT ASSETS</b>		
Margin money deposit	29	29
Long term deposits with banks with maturity period more than 12 months	84	29
<b>Total</b>	<b>113</b>	<b>58</b>
<b>15 INVENTORIES</b> [Refer note 2(e)]		
Packing and Stationery Consumables	518	395
<b>Total</b>	<b>518</b>	<b>395</b>



## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>16 TRADE RECEIVABLES</b> [Refer note 30(E)(i)]		
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other receivables	31,898	29,140
<b>Total</b>	<b>31,898</b>	<b>29,140</b>
<b>17 CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents:</b>		
Cash on hand	145	197
Cheques and Drafts on hand	1,016	1,064
Balances with banks:		
In current accounts	7,459	7,845
Deposits with maturity period less than 3 months	20,000	7,400
	28,620	16,506
<b>Other Bank balances:</b>		
Unpaid dividend accounts	63	57
Unpaid interest	22	-
<b>Total</b>	<b>28,705</b>	<b>16,563</b>
Bank balances in current account includes ₹ 3,889 Lacs [Previous Year - ₹ 3,978 Lacs] being collections on 'Cash on Delivery' shipments held on behalf of customers. (Refer note 9)		
<b>18 SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated)		
Loans to Subsidiary (Refer note 34)	3,911	3,208
Other loans and advances:		
Prepaid expenses	988	963
Loan and advances to employees	81	40
Octroi Recoverable	1,447	869
Balances with Government Authorities	765	540
Others	1,539	1,478
<b>Total</b>	<b>8,731</b>	<b>7,098</b>
<b>19 OTHER CURRENT ASSETS</b>		
(Unsecured, considered good)		
Interest accrued on Deposits	71	39
Assets held for disposal	-	438
<b>Total</b>	<b>71</b>	<b>477</b>

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>20 REVENUE FROM OPERATIONS</b>		
Service charges [Refer note 2(f)]	255,306	226,845
Other Operating income:		
Liabilities no longer required written back	80	5
<b>Total</b>	<b>255,386</b>	<b>226,850</b>
<b>21 OTHER INCOME</b>		
Dividend from Mutual Funds	775	484
Interest on Loans to Subsidiary [Refer note 2(f)]	1,121	1,738
Interest on deposits with banks [Refer note 2(f)]	143	42
Interest from others [Refer note 2(f)]	124	-
Net Gain on Foreign Currency Transactions and Translation	62	38
Miscellaneous income	604	146
<b>Total</b>	<b>2,829</b>	<b>2,448</b>
<b>22 FREIGHT, HANDLING AND SERVICING COSTS (Net)</b>		
Aircraft charter costs	57,579	64,831
Domestic network operating costs	60,076	52,529
International servicing charges	11,407	11,082
Commercial airlift charges	16,672	13,797
Handling and clearing charges	7,194	6,245
Printing, stationery and consumables	4,036	3,240
<b>Total</b>	<b>156,964</b>	<b>151,724</b>
<b>23 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Bonus and Leave Encashment	34,397	26,695
Contribution to Provident and other funds	1,801	1,620
Gratuity	670	974
Staff welfare expenses	2,895	2,656
<b>Total</b>	<b>39,763</b>	<b>31,945</b>

## SCHEDULES

### Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

The Company has classified the various employee benefits provided to employees as under:

#### I Defined Contribution Plans

- a. Superannuation Fund
- b. State Defined Contribution Plans
  - i. Employers' Contribution to Employee's State Insurance
  - ii. Employers' Contribution to Employee's Pension Scheme 1995

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss under "Contribution to Provident and other funds" -

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
- Employers' Contribution to Provident Fund	510	493
- Employers' Contribution to Superannuation Fund	87	78
- Employers' Contribution to Employee's State Insurance	335	351
- Employers' Contribution to Employee's Pension Scheme 1995	733	567

#### II Defined Benefit Plans

##### Gratuity:

Valuations in respect of Gratuity has been carried out by an independent actuary, as at the Balance Sheet Date, based on the following assumptions:

	As at March 31, 2016	As at March 31, 2015
Discount Rate (per annum)	7.97%	8.07%
Rate of increase in Compensation levels (Refer note below)	7.25%	7.25%
Rate of Return on Plan Assets	7.97%	8.07%

Note : The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>A) Changes in the Present Value of Obligation</b>		
Present Value of Obligation at the beginning of the year	4,358	3,283
Interest Cost	352	305
Past Service Cost	NIL	NIL
Current Service Cost	360	262
Curtailment Cost/(Credit)	NIL	NIL
Settlement Cost/(Credit)	NIL	NIL
Benefits Paid	(244)	(185)
Actuarial loss on obligations	304	693
Present Value of Obligation as at year end	5,130	4,358
<b>B) Changes in the Fair value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the year	3,386	3,231

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
Expected Return on Plan Assets	273	300
Actuarial Gains / (Loss) on Plan Assets	73	(15)
Contributions	975	55
Benefits Paid	(244)	(185)
Fair Value of Plan Assets at year end	4,463	3,386
<b>C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets</b>		
	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Present Value of funded obligation as at the year end	5,130	4,358
Fair Value of Plan Assets as at the end of the year	4,463	3,386
Funded Status	(667)	(972)
Present Value of unfunded Obligation as at the year end	(667)	(972)
Unrecognised Actuarial (gains)/losses	NIL	NIL
Unfunded Net Liability recognised in Balance Sheet	(667)	(972)
<b>D) Amount recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	(5,130)	(4,358)
Fair Value of Plan Assets at year end	4,463	3,386
Liability recognised in the Balance Sheet	(667)	(972)
<b>Recognised under:</b>		
Long term provisions (Refer note 7)	-	223
Short term provisions (Refer note 10)	667	749
<b>E) Expenses recognised in the Statement of Profit and Loss</b>		
	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
Current Service Cost	360	262
Past Service Cost	NIL	NIL
Interest Cost	352	305
Expected Return on Plan Assets	(273)	(300)
Curtailment Cost/(Credit)	NIL	NIL
Settlement Cost/(Credit)	NIL	NIL
Net actuarial loss / (gain) recognised in the year	231	707
Total expenses recognised in the Statement of Profit and Loss	670	974

**F) Percentage of each category of Plan Assets to total Fair Value of Plan Assets**

The Plan Assets are administered by Life Insurance Corporation of India ("LIC") as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority ('IRDA') regulations.

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

G) Expected gratuity contribution for the next year is aggregating ₹ 878 Lacs [Previous Year ₹ 749 Lacs].

### I. Net Asset/(Liability) recognised in Balance Sheet:

	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	15 Months Period ended March 31, 2013	Year ended December 31, 2011
	in ₹ Lacs				
a) Present Value of Obligation at the close of the year	(5,130)	(4,358)	(3,283)	(3,145)	(2,335)
b) Fair Value of Plan Assets at the close of the year	4,463	3,386	3,231	2,609	2,299
c) (Liability)/Asset recognised in the Balance Sheet	(667)	(972)	(52)	(536)	(36)
<b>Change in Define Benefit Obligation (DBO) during the year</b>					
d) Actuarial Loss / (Gain)	304	693	(226)	509	(65)
<b>Change in the Fair Value of Plan Assets during the year</b>					
e) Actuarial (Loss) / Gain	73	(15)	33	47	33
<b>Experience Adjustments</b>					
f) Experience Adjustment on plan liabilities loss / (gain)	245	129	238	(6)	149
g) Experience Adjustment on plan assets loss / (gain)	(73)	15	(33)	(47)	33

### II. Actuarial Assumptions:

	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	15 Months Period ended March 31, 2013	Year ended December 31, 2011
Discount Rate	7.97%	8.07%	9.31%	8.00%	9.25%
Expected Return on Plan Assets	7.97%	8.07%	9.31%	8.00%	7.75%
Salary Growth Rate	7.25%	7.25%	7.25%	7.25%	7.25%
Attrition Rate	1.00%	1.00%	1.00%	1.00%	1.00%

### III. Compensated Absences:

The liabilities for Compensated Absences as at year end were ₹ 1,859 Lacs [Previous Year ₹ 1,584 Lacs] (Refer note 7 and 10)

### 24 FINANCE COSTS

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
Interest on Bank Overdraft	1	4
Interest on Debentures	3,113	1,117
<b>Total</b>	<b>3,114</b>	<b>1,121</b>

### 25 DEPRECIATION AND AMORTISATION EXPENSE

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
Depreciation on Tangible assets	2,976	3,580
Amortisation on Intangible assets	994	774
<b>Total</b>	<b>3,970</b>	<b>4,354</b>



## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>26 OTHER EXPENSES</b>		
Rent [Refer note 2(i)]	10,827	9,061
Office expenses	3,291	2,468
Security expenses	2,730	2,030
Electricity	1,899	1,674
Repairs and maintenance - others	1,710	1,432
Communication expenses	983	887
Directors sitting fees	18	16
Legal and professional	905	723
Payment to Auditors		
As auditor:		
Statutory Audit fees	43	42
Tax Audit fees	6	6
Reimbursement of Expenses	5	7
Other Matters	52	35
Rates and taxes	775	637
Travelling and conveyance	405	339
Lease rentals [Refer note 2(i)]	278	252
Insurance	319	306
Sales promotion and advertising	253	302
Bad debts written off	144	134
Expenditure towards Corporate Social Responsibility activities (Refer Note below)	304	398
Loss on sale/scraping of fixed assets (Net)	1	8
Miscellaneous expenses	479	41
<b>Total</b>	<b>25,427</b>	<b>20,798</b>
Note:- Expenditure on Corporate Social Responsibility Activities		
a) Gross amount required to be spent by the Company during the year	405	388
b) Amount spent during the year on (in cash):		
(i) Expenditure on Educational programmes	133	63
(ii) Expenditure on Health care programmes	27	10
(iii) Expenditure on promoting sports	23	21
(iv) Expenditure on accomodation for needy children	100	-
(v) Donation	-	243
(vi) Other CSR expenditures	21	61
<b>Total</b>	<b>304</b>	<b>398</b>
<b>27 EARNINGS PER SHARE</b>		
Profit for the year	18,988	12,684
Weighted average number of shares (Nos.)	23,727,934	23,727,934
Basic and Diluted Earnings Per Share (In ₹)	80.02	53.46
Nominal value of shares outstanding (In ₹)	10	10

## SCHEDULES

### Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

#### 28 OPERATING LEASES [Refer note 2(i)]

- a. The Company has entered into various non-cancellable operating lease agreements for official/residential premises for a period of two to five years. Future minimum rentals payable under non-cancellable operating leases are as follows:

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Not later than one year	1,787	2,505
Later than one year and not later than five years	2,292	3,384
Later than five years	94	316
Charge for the year	2,397	3,410

- b. Company has entered into various cancellable leasing arrangements for motor cars, office equipments and for official/residential premises. The lease rentals for motor cars of ₹ 498 Lacs [Previous year ₹ 427 Lacs] has been included under the head "Employee Benefits Expense - Salaries, Bonus and Leave Encashment" under Note 23 forming part of the Statement of Profit and Loss. Lease rentals for office equipments of ₹ 278 Lacs [Previous year ₹ 252 Lacs] has been included under the head "Other Expenses - Lease Rentals" under Note 26 forming part of the Statement of Profit and Loss and lease rentals for official and residential premises of ₹ 8,430 Lacs [Previous year ₹ 5,651 Lacs] has been included under the head "Other Expenses - Rent" under Note 26 forming part of the Statement of Profit and Loss.

#### 29 SEGMENT INFORMATION

The Company is primarily engaged in a single segment business, within the same geography of integrated air and ground transportation and distribution of time sensitive packages within India and is managed as one entity for its various service offerings and is governed by a similar set of risks and returns.

#### 30 RELATED PARTY DISCLOSURES

##### (A) Names of related parties and related party relationship

###### (i) Enterprises where control exists

Ultimate Holding Company	Deutsche Post AG, Germany
Holding Company	DHL Express (Singapore) Pte. Limited, Singapore
Wholly Owned Subsidiary Company	Concorde Air Logistics Limited, India
Subsidiary Company	Blue Dart Aviation Limited, India (Effective from June 22, 2015)

###### (ii) Key Management Personnel

Managing Director	Anil Khanna
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##### (B) Related party relationships where transactions have taken place during the year

Holding Company	DHL Express (Singapore) Pte. Limited, Singapore
Wholly Owned Subsidiary Company	Concorde Air Logistics Limited, India
Fellow Subsidiary Company	DHL Express (India) Private Limited, India
Fellow Subsidiary Company	DHL Supply Chain India Private Limited, India
Fellow Subsidiary Company	DHL Logistics Private Limited, India
Associate Company	Blue Dart Aviation Limited, India (Upto June 21, 2015)
Subsidiary Company	Blue Dart Aviation Limited, India (Effective from June 22, 2015)

##### (C) Key Management Personnel

Anil Khanna	Managing Director
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## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>(D) Transactions with related parties during the year</b>		
<b>(i) With Holding/Subsidiary/Fellow Subsidiaries Company</b>		
<b>DHL Express (Singapore) Pte. Limited, Singapore</b>		
Dividend paid	3,559	27,583
Issue of Unsecured Non Convertible Debentures	-	(24,914)
<b>Concorde Air Logistics Limited, India</b>		
Reimbursements towards air freight	10,874	7,437
<b>DHL Express (India) Private Limited, India</b>		
International servicing cost	11,407	11,082
Domestic service charges income	(6,427)	(6,046)
Reimbursements of expenses	86	69
<b>DHL Supply Chain India Private Limited, India</b>		
Domestic service charges income	(2,619)	(2,820)
Deposit repaid	5	12
Reimbursements of expenses	450	-
<b>DHL Logistics Private Limited, India</b>		
Domestic service charges income	(138)	(146)
Deposit repaid	-	2
Reimbursements of expenses	35	23
<b>Blue Dart Aviation Limited, India (Associate)</b>		
Aircraft Charter Cost	15,144	64,831
Inter-Corporate Loan settled/adjusted	(802)	(6,943)
Interest income on Loan	(317)	(1,738)
Domestic service charges income	(7)	(36)
<b>Blue Dart Aviation Limited, India (Subsidiary)</b>		
Aircraft Charter Costs	42,435	-
Inter-Corporate Loan settled/adjusted	(2,406)	-
Interest income on Loan	(804)	-
Domestic service charges income	(19)	-
<b>(ii) Corporate guarantees given on behalf of Blue Dart Aviation Limited, India</b>	6,000	10,600
Note: For the external loan taken by the subsidiary, the debt covenants will be met by the company.		
<b>(iii) With Key Management Personnel</b>		
<b>Anil Khanna</b>		
Remuneration	396	295

## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>(E) Related party balances as at the year end</b>		
<b>(i) Receivable/(Payable) from/to Subsidiary/Fellow Subsidiaries company</b>		
Concorde Air Logistics Limited, India	160	49
DHL Express (India) Private Limited, India (Net)	(2,685)	(1,333)
DHL Supply Chain India Private Limited, India (Net)	306	617
DHL Logistics Private Limited, India (Net)	38	31
Blue Dart Aviation Limited, India (Net)	11,315	13,100
<b>(ii) Payable to Key Management Personnel</b>		
Anil Khanna	140	75

### 31 DUES TO MICRO AND SMALL ENTERPRISES

Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	215	181
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2	2
Principal amounts paid to suppliers registered under the MSMED Act beyond the appointed day during the year	22	-
Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act for payments already made	0*	-
Further interest remaining due and payable for earlier years	2	2

\* Amount is below the rounding off norm adopted by the Company

The above information regarding Micro, Small and Medium Enterprises given in note 8 - Trade Payables has been determined to the extent such parties have been identified on the basis of information available with the Company.

**Detailed break-up of interest is as follows:**

	As at March 31, 2016 in ₹	As at March 31, 2015 in ₹
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	245,292	188,378
Interest due and payable towards suppliers registered under MSMED Act for payments already made	-	-
Further interest remaining due and payable for earlier years	188,378	150,102
Interest charge to Statement of Profit and Loss	56,914	38,276
	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs

### 32 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances ₹ 283 Lacs (Previous Year ₹ 452 Lacs)]	1,583	979
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## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>33 CONTINGENT LIABILITIES</b> [Refer note 2(l)]		
Claims against the Company not acknowledged as debt		
(i) Penalty under Kerala Value Added Tax Act, 2003	-	909
(ii) Penalty under Maharashtra Municipal Corporation Act, 1949	-	29
iii) Stamp Duty - Karnataka and Maharashtra	Not ascertainable	Not ascertainable
In response to the notices received from Stamp Authorities of Bangalore, Mangalore and Mumbai for payment of stamp duty under the Karnataka Stamp Act, 1957, and Maharashtra Stamp Act, 1958, based on the legal counsel advise received, the Company has filed its reply with those authorities submitting that on various grounds, it does not consider an air waybill to be an 'acknowledgement' chargeable to stamp duty under the Schedule of the said Act.		

**34** During the year, the Company has received a repayment of ₹ 3,208 Lacs [Previous year ₹ 6,943 Lacs] from Blue Dart Aviation Limited, a subsidiary company. As at March 31, 2016 the outstanding loan balance is ₹ 9,348 Lacs, [Previous year ₹ 12,556 Lacs] of which ₹ 3,911 Lacs [Previous year ₹ 3,208 Lacs] is receivable within 12 months from balance sheet date. The loan carries an interest computed at an average 'base' rate of IDBI Bank and ICICI Bank with the interest being reset on six month basis.

	As at March 31, 2016	As at March 31, 2015
<b>35 PROPOSED DIVIDEND</b>		
The final dividend proposed for the year is as follows:		
On Equity Shares of ₹ 10/- each		
Amount of dividend proposed (in ₹ lacs)	7,118	4,746
Dividend per equity share	30	20

**36 Disclosures with regards to transactions in foreign currency**

**(A) REMITTANCE IN FOREIGN CURRENCY ON ACOUNT OF DIVIDENDS:**

	Year ended March 31, 2016	Year ended March 31, 2015
Number of Non-resident shareholders	1	1
Number of Equity Shares held	17,795,950	17,795,950
Amount of dividend remitted	3,559	2,669
Year to which dividend relates	April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014
	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs

**(B) EARNINGS IN FOREIGN CURRENCY:**

Service income	3,259	2,823
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**(C) CIF VALUE OF:**

Capital Goods	379	443
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**(D) EXPENDITURE IN FOREIGN CURRENCY:**

Foreign Travel	29	31
Others	134	59



## SCHEDULES

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2016

**37 Disclosures pursuant to the Regulation 34(3) read with para A of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>(A) Loans and advances in the nature of loans to subsidiary (Blue Dart Aviation Limited)</b>		
Balance as at the year end	9,348	-
Maximum amount outstanding at any time during the year	12,556	-
<b>(B) Loans and advances in the nature of loans to associate (Blue Dart Aviation Limited)</b>		
Balance as at the year end	-	12,556
Maximum amount outstanding at any time during the year	-	19,499
<b>(C) Investment by the loanee in the shares of the Company</b>		
The loanee has not made any investment in the shares of the Company.		

**38 Particulars of unhedged foreign currency exposures as at the reporting date**

	Year ended March 31, 2016	Year ended March 31, 2015
Trade receivable (in USD)	USD 2 Lacs / ₹ 164 Lacs	USD 7 Lacs / ₹ 538 Lacs
Trade payable (in USD)	USD 0.43 Lacs / ₹ 29 Lacs	-

**39** During the year, after receipt of approval from the Foreign Investment Promotion Board (FIPB), the Company acquired 6,000,000 Equity Shares of Blue Dart Aviation Limited (BDAL) (5,040,000 Equity Shares on June 22, 2015 and 960,000 Equity Shares on July 29, 2015) for a total consideration of ₹ 5,368 Lacs and thereby increased its shareholding in BDAL from 49% to 74%. Consequently, BDAL became a Subsidiary of the Company with effect from June 22, 2015. The Company has 'put' and 'call' option arrangements in respect of the balance 26% equity shares of BDAL.

**40 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS**

Previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year's classification.

Signatures to Notes 1 to 40 form an integral part of the financial statements.

As per our report of even date

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**Sharad Upasani**  
Chairman  
DIN:01739334

**Thomas Kipp**  
Director  
DIN:06921955

Place: Mumbai  
Date: April 15, 2016

**Anil Khanna**  
Managing Director  
DIN:01334483

**Narendra Sarda**  
Director  
DIN:03480129

**Malcolm Monteiro**  
Director  
DIN:00089757

**Yogesh Dhingra**  
Chief Financial Officer &  
Chief Operating Officer

**Surendra Sheth**  
Director  
DIN:00089981

**Tushar Gunderia**  
Company Secretary

## BOARD OF DIRECTORS

### BLUE DART AVIATION LIMITED

#### BOARD OF DIRECTORS

Tushar Kumudrai Jani	Chairman
Tulsi Nowlakha Mirchandaney	Managing Director
Clyde Christopher Cooper	Director
Air Marshal Michael McMahon	Director
Air Marshal Vijay Achyut Patkar	Director
Lars Winkelbauer	Director

#### KEY MANAGERIAL PERSONNEL

P. Parameshwaran	Chief Financial Officer
N. Palaniappan	Company Secretary & Sr. Manager - Finance

#### PRINCIPAL BANKERS

Yes Bank Limited

#### AUDITORS

Price Waterhouse

#### REGISTERED OFFICE

Blue Dart Centre,  
Sahar Airport Road,  
Andheri (E), Mumbai – 400 099  
CIN: U35303MH1994PLC078691

## DIRECTORS' REPORT

### To the Members

Your Directors have great pleasure in presenting the Twenty Second Annual Report of your Company for the 12 months ended March 31, 2016.

### FINANCIAL RESULTS

	Year ended March 31, 2016	Year ended March 31, 2015
<b>(₹ in Lacs)</b>		
<b>Revenues:</b>		
Revenue from Operations	58,236	65,563
Other Income	1,145	357
Less: Operating Expenses	(51,009)	(56,291)
Operating Profit (EBIDTA)	8,372	9,629
Less: Interest cost (Net)	1,718	2,322
Depreciation / Amortisation	6,188	6,813
Profit before tax	466	494
Less: Provision for Income tax	154	55
Profit after tax	312	439

During the year under review, your Company has recorded a profit before tax of ₹ 466 lacs as compared to profit before tax of ₹ 494 lacs for the 12 months ended March 31, 2015.

### REVIEW OF INDIAN ECONOMY AND AVIATION INDUSTRY

The global macroeconomic landscape is currently chartering a rough and uncertain terrain characterized by weak growth of world output. The situation has been exacerbated by (i) declining prices of a number of commodities (ii) turbulent financial markets (more so equity markets), and (iii) volatile exchange rates. These conditions reflect extreme risk-aversion behaviour of global investors, thus putting many, and in particular, commodity exporting economies under considerable stress. The rupee has depreciated vis-à-vis the US dollar, like many other currencies in the world, although to a reduced magnitude. At the same time, it has appreciated against a number of other major currencies. Even in these trying and uncertain circumstances, India's growth story has largely remained positive on the strength of domestic consumption, and the country has registered a steady pace of economic growth in 2015-16 as it did in 2014-15.

During the calendar year 2015, the civil aviation sector witnessed an improvement of 22% in domestic passenger traffic and 9% in international passenger traffic compared to calendar year 2014. Domestic cargo grew by 7% and international cargo declined by 2% for the same period.

The prospects for the Indian aviation sector have improved following the fall in prices of aviation turbine fuel, which accounted for nearly 40 per cent of the operating expenses of airlines in India, the liberalization of FDI policies in civil aviation, and the strong growth in passenger traffic which is expected to continue into the near future.

### REVIEW OF PERFORMANCE

Your Company, the only scheduled domestic cargo airline network in the Indian skies, with a fleet of five Boeing 757-200 freighters, has continued to support the air express leadership position of Blue Dart Express Limited during the year with a sustained focus on safety and high standards of service quality. Your Company has posted an excellent on Time Performance of 89.79% and a Technical Dispatch Reliability of 99.46%, which is best in the industry despite severe infrastructure constraints and an average fleet life of 21 years. Your Company has handled 26 charters during the year and has uplifted 95,185 tonnes on its network during the period of 12 months ended March 31, 2016. This was made possible with an unprecedented 294 day flights in addition to scheduled night operations. The additional operations of 2057 supplementary hours were the equivalent of augmenting our fleet with another aircraft induction, and they were undertaken within the limited current resources.

Your Company has augmented its fleet with a sixth Boeing 757-200 freighter during the month of March 2016 to meet the growing demand and to improve the premium service quality.

Your Company, with meticulous planning and direct involvement in procurement of spares and preparation of work scope, reduced the engine overhaul costs by 35% below budget, which was substantial considering the capex incurred for engine overhauls. Through a new Power By the Hour (PBH) contract, maintenance cost has declined by 18.6% with the added benefits of lower base maintenance material cost, capital purchase of rotables, beyond-economic-repair write-offs and inclusion of any maintenance spikes.

The ongoing fuel consumption savings project, viz. 'Golden Drops' continued to lower fuel consumption, resulting in a significant savings in fuel costs. During the year, your Company has carried out base maintenance, including C Checks, and complex modifications on its fleet of B757s in a timely and cost effective manner. The Company had negotiated an off airport warehouse at Delhi and in a short span of time, the facility has been made operational to handle the increased volumes, especially during the peak season, more effectively. As part of its ongoing focus to optimize space utilization, your Company has surrendered space at airports to reduce lease rentals considerably.

During the year, your Company has successfully completed the elaborate process of recertification to the CAP 3100 mandatory requirements successfully. Significant progress was made in consolidating the implementation of Safety Management System (SMS). The safety indicators and target of your Company were aligned with the State Safety Plan (SSP) as spelt out by DGCA, and a coordinated plan of action has been developed for its monitoring and implementation.

## DIRECTORS' REPORT

During the year, the third training conducted by the Company at its Aviation Security Training Institute (ASTI) has produced results of 100% success rates, which is a first in the history of any ASTI. Since your Company has established its own training institute, it has the ability to train a maximum number of your Company Security personnel from all stations, overcoming the lengthy delays and waiting period for seat allotment by the BCAS. Further, ASTI has helped your Company to save significant fees in the training of our own personnel.

The city of Chennai, where your company's main maintenance base is located, was battered with torrential rains since mid-November 2015, most severely between 30 November to 04 December 2015, when water released from the Chembarambakkam reservoir and overflowing rivers inundated large parts of the city. Chennai airport was flooded and declared closed from 01 to 05 December 2015. Facilities adjacent to your Company's office were evacuated due to collapse of the ceiling, but your Company's ageing facilities were safe, thanks to the pre-monsoon preventive maintenance and clearing of drains carried out by your Company's Administration Department in a periodic manner. Flight operations for the rest of the network continued uninterrupted.

Despite the severity of the floods at Chennai, the Company's facilities and aircraft were secured, loads safely palletized, aircraft maintenance undertaken, and operations areas cleared of waterlogging by your Company's employees who braved the flooded streets to report to duty. Your Company was amongst the first to resume operations once the airport was declared open on 06 December 2015.

50 of your Company's employees and 72 contract staff were severely affected by the flood disaster at Chennai, with many losing their possessions and some their homes. Employees donated generously towards their colleagues in distress, and the funds were distributed to all those affected. Your Directors take this opportunity to thank each one of our people for their commitment and dedication to support your Company during the crisis caused by the floods, without any major financial loss.

### DIRECTORS/ KEY MANAGERIAL PERSONNEL

As on March 31, 2016, Your Company's Board has a strength of 6 (six) Directors including 1(one) Woman Director and 2 (two) Independent Directors.

During the year under review, in terms of the requirements under the Companies Act, 2013, all Independent Directors have given declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

In accordance with the provisions of the Companies Act, 2013, and Articles of Association of the Company, Mr. Tushar K. Jani (DIN: 192621), Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment

The Key Managerial Personnel (KMPs) in the Company as per Section 2(51) and Section 203 of the Companies Act, 2013 are as follows:

Sr. No.	Name of the Directors	Designation
1.	Ms. Tulsi Nowlakha Mirchandaney	Managing Director
2.	Mr. P. Parameshwaran	Chief Financial Officer
3.	Mr. N. Palaniappan	Company Secretary

During the year, there was no change (appointment or cessation) in the office of any KMP.

### Number of Meetings of the Board

During the year, the Board of Directors of your Company has met 6 times. The Maximum interval between any two meetings did not exceed 120 days.

Details of Board Meeting as Follows :

Sr. No.	Date of Meeting
1.	07.05.2015
2.	22.06.2015
3.	29.07.2015
4.	20.10.2015
5.	14.12.2015
6.	10.02.2016

### AUDIT COMMITTEE

The Audit Committee comprises of three Non-Executive Directors viz; Air Marshal M McMahon (Retd.) as Chairman of the Committee, with Mr. Tushar K. Jani and Air Marshal Vijay Achyut Patkar (Retd.) as members of the Committee.

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013.

Ms. Tulsi Nowlakha Mirchandaney, Managing Director, Mr. Clyde C. Cooper, Director, Mr. Lars Winkelbauer, Director, Mr. P. Parameshwaran, Chief Financial Officer are the permanent invitees to the Audit Committee Meetings. Mr. N. Palaniappan, Company Secretary & Sr. Manager – Finance, acts as Secretary to the Committee.

### INTERNAL FINANCIAL CONTROL SYSTEMS

Your Company has a sound internal control system to ensure that all assets are protected against loss from any unauthorised use. All transactions are recorded and reported correctly. The Company's internal control system is further supplemented by the internal audits carried out by an outsourced audit firm viz; KPMG. Well-established and robust internal audit processes, both at the business and corporate level, continuously monitor the adequacy and effectiveness of the internal control environment across the Company, and status of compliance with operating systems, internal policies and regulatory requirements. The Audit Committee of the Board addresses significant issues raised by both the Internal Auditors and Statutory Auditors.

## DIRECTORS' REPORT

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of provisions of Section 177(9)/(10) of the Companies Act, 2013, your Company has formalized the process and institutionalized a Whistle Blower Policy in the Organisation.

The Company engaged the services of M/s. KPMG Advisory Services Pvt. Ltd., renowned Consultancy Firm which has established Blue Dart Ethics Hotline. In terms of the Policy, all suspected violations and 'Reportable Matters' must be reported to the Ethics Committee via the Blue Dart Ethics Hotline. The Ethics Committee comprises of Mr. Prem K. Thomas, Chief Human Resource Manager, Mr. N. Palaniappan, Company Secretary & Sr. Manager – Finance and Mr. N. Krishnamoorthy, General Manager - Quality. The Policy is applicable to all the Directors, employees, officers, customers, vendors and/or third party intermediaries such as agents and consultants whether appointed on permanent, temporary, full time, part-time, contractual, probation or on retainer basis and engaged to conduct business on behalf of the Company concerned about unacceptable, unethical or illegal activities which affect the workplace. The Policy provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. None of the Whistle Blowers were denied access to the Audit Committee of the Board.

The contact details for Blue Dart Ethics Hotline numbers are as follows:

Sr. No.	Reporting Channel	Contact Information	Availability
1.	Phone (Toll Free)	1800 200 1072	7 AM to 11 PM on weekdays
2.	Email	bluedart@ethicshelpline.in	24 hours a day
3.	Fax	Dial Toll Free number - 1800 200 1072 and select option 2 on IVR	24 hours a day
4.	Post	PO Box No. 71, DLF Phase 1, Qutub Enclave, Gurgaon – 122002	24 hours a day
5.	Web	www.in.kpmg.com/ethicshelpline	24 hours a day

### NOMINATION AND REMUNERATION COMMITTEE

In compliance with the provisions of the Companies Act, 2013, your Company has a Nomination and Remuneration Committee, with Air Marshal M McMahon (Retd.) as Chairman of the Committee, and Mr. Tushar K. Jani, Mr. Clyde C. Cooper and Air Marshal Vijay Achyut Patkar (Retd.) as members of the Committee.

Ms. Tulsi Nowlakha Mirchandaney, Managing Director, Mr. Lars Winkelbauer, Director and Mr. P. Parameshwaran, Chief Financial Officer are the permanent invitees to the Nomination and Remuneration Committee Meetings.

### NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of Companies Act, 2013, the Board has, on the recommendations of the Nomination and Remuneration Committee, framed a policy on appointment of Directors and Key Managerial Personnel of the Company, and the fixation of the remuneration of the Directors, Key Managerial Personnel and other employees of the Company. The Nomination and Remuneration policy of your Company has listed down criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of Companies Act, 2013.

### COMMENTS ON AUDITORS' REPORT/SECRETARIAL AUDIT REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Price Waterhouse, Statutory Auditors, in their report, and by M/s. P. Sriram & Associates, Company Secretary in Practice, in his secretarial Audit Report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of the report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not made any loans, Guarantees or Investments, which falls under Section 186 of the Companies Act, 2013.

### RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year were at arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee and the Board for approval.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The particulars of contracts or arrangements with related parties as required under Section 134(3)(h) in prescribed Form AOC 2 are annexed herewith as an 'Annexure A'



## DIRECTORS' REPORT

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, your Directors confirm that;

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that year;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down proper internal financial controls to be followed by the Company and ensure that the financial controls were adequate and were operating effectively; and
- vi. They have systems to ensure compliance with the provisions of all applicable laws and that they were adequate and operating effectively.

### SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has re-appointed M/s. P. Sriram & Associates, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the year ended March 31, 2016.

The Report of the Secretarial Audit Report is annexed herewith as an 'Annexure B'.

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 as per Section 92 (3) of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 is annexed herewith as an 'Annexure C'

### RISK MANAGEMENT

The Company has in place a mechanism to inform the Board on risk assessment and mitigation procedures, and periodic reviews are conducted in order to ensure that Management controls risks through a properly defined framework.

The Company has constituted an Internal Risk Management Committee comprising Ms. Tulsi Nowlakha Mirchandaney, Managing Director, Mr. P. Parameshwaran, Chief Financial Officer and Mr. N. Palaniappan, Company Secretary & Sr. Manager – Finance as members, to monitor the risks on a periodic basis.

### FIXED DEPOSITS

Your Company has not accepted any fixed deposits under the provisions of Section 73 of the Companies Act, 2013.

### AUDITORS

The Statutory Auditors, M/s. Price Waterhouse, Chartered Accountants, (Firm Registration no. 301112E), retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Your Company has received necessary certificate from them confirming that their re-appointment, if made, will be in accordance with the provisions of Section 139 of the Companies Act, 2013 and they satisfy the criteria provided under section 141 of the Companies Act, 2013.

The Board of Directors recommends re-appointment of M/s. Price Waterhouse, Chartered Accountants, (Firm Registration no. 301112E), as Statutory Auditors of the Company subject to necessary approval by the Shareholders of the Company at the ensuing Annual General Meeting.

The Board is requested to note that the appointment of M/s. KPMG as the Company's Internal Auditors is due for renewal with effect from April 1, 2016.

### HUMAN RESOURCE DEVELOPMENT

During the year, your Company has been holding yoga sessions, medical camps, Aadhaar campaign, cricket and football tournaments for its employees. Your Company has an Employee Engagement Committee (EEC), which has representation from all departments. The EEC has been actively organizing celebrations of most of the major festivals with great fanfare. Following the recent floods in Chennai, your Company has organized a medical camp which addressed likely illness arising out of natural calamities like floods.

Your Company has, under the banner of Go Green, planted 150 saplings and in support of Go Teach, has organized teaching sessions in six schools. Contributing to Go Help, Your Company has conducted blood donation camps, cleaning drives, visiting of orphanages and old age homes, and assisted in traffic management.

### EMPLOYEES

People are the human capital of the organization and key to the successful implementation of plans and processes. Your Company continues to maintain its 'People' philosophy. Your Directors take this opportunity to thank each one of our people for their dedicated service and contributions that have resulted in successfully surmounting the challenges of another year. Your Company's consistent growth

## DIRECTORS' REPORT

has been made possible by their hard work, solidarity, co-operation, commitment and support.

Information on the particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with Companies (Particulars of Employees) Rules, 1975, forms part of this Report. However, as per the provisions of Section 136 (I) of the Companies Act, 2013, the report and accounts are being sent to all shareholders of the Company, excluding the Statement of Particulars of Employees which is available for inspection at the Registered Office of the Company during working hours. Any shareholder interested in such particulars may inspect the same.

### **PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE**

The particulars regarding foreign exchange earnings and expenditure stipulated under section 134(3)(m) are annexed herewith as an 'Annexure D' and forms part of this Report. Since your Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Disclosure of Particulars in the Report of the 'Board of Directors' Rules, 1988) are not applicable.

### **ACKNOWLEDGEMENT**

The Board of Directors wishes to express its sincere appreciation and thanks to all customers, vendors, banks, financial institutions, solicitors, advisors, the Government of India, concerned State Governments and other authorities for their consistent support and co-operation in contributing to the Organization's success.

Your Directors appreciate the contribution made by the employees of the Company and acknowledge their hard work and dedication to ensure that the Company consistently performs well.

**For and on behalf of the Board of Directors,**

**Tushar K. Jani**  
Chairman  
DIN: 192621

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN: 1842520

**Air Marshal M. McMahon (Retd.)**  
Director  
DIN: 234293

**Air Marshal VA Patkar (Retd.)**  
Director  
DIN: 07037116

Mumbai,  
April 15, 2016

## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE - A'

#### FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

#### I. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2016, which were not at arm's length basis.

#### II. Details of material contracts or arrangement or transactions at arm's length basis

##### a. Name(s) of the related party and nature of relationship

Blue Dart Express Limited – Holding Company

##### b. Nature of contracts/arrangements/transactions

- Aircraft, Crew, Maintenance and Insurance (ACMI) Agreement.
- Charter Fee Income - ₹ 57,478 Lacs through ACMI Agreement
- Loans (existing) - ₹ 9,348 Lacs
- Corporate Guarantee (existing) – ₹ 6,000 Lacs
- Aircraft Payload deposit – ₹ 2,150 Lacs

##### c. Duration of the contracts / arrangements/transactions

ACMI Agreement has been Renewed/extended till September 30, 2016. Loans and Corporate Guarantees are existing till repayment.

##### d. Salient terms of the contracts or arrangements or transactions including the value, if any :

The Company is providing dedicated air carriage capacity to Blue Dart Express Limited through ACMI Agreement.

##### e. Date(s) of approval by the Board, if any : January 29, 2015

##### f. Amount paid as advances, if any : NIL

For and on behalf of the Board of Directors,

**Tushar K. Jani**  
Chairman  
DIN: 192621

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN: 1842520

**Air Marshal M. McMahon (Retd.)**  
Director  
DIN: 234293

**Air Marshal VA Patkar (Retd.)**  
Director  
DIN: 07037116

Mumbai,  
April 15, 2016

# ANNEXURES TO DIRECTORS' REPORT

**'ANNEXURE - B'**

**FORM NO. MR - 3**

## **SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,  
The Members,  
Blue Dart Aviation Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Blue Dart Aviation Limited** (hereinafter called the "Company"). 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 my verification of Blue Dart Aviation Limited'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, functional heads, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Aircraft (Public) Health Rules, 1954
- 3) The Aircraft Act, 1934
- 4) The Aircraft Rules, 1937
- 5) The Air (Prevention & control of pollution) Act 1981
- 6) The Carriage by Air Act, 1972
- 7) The Customs Act 1962
- 8) The Environment ( Protection ) Act, 1986
- 9) The Factories Act 1948
- 10) The Foreign Exchange Management Act, 1999
- 11) The Indian Aircraft Rules, 1920
- 12) The Industrial Disputes Act, 1947
- 13) The Industrial Employment ( Standing Orders ) Act, 1946
- 14) The Legal Metrology Act, 2009
- 15) The Motor Vehicles Act, 1988
- 16) The Trade Mark Act, 1999
- 17) The Unlawful Acts against safety of Civil Aviation Act 1982
- 18) The Water (Prevention & Control of Pollution) Act 1974

Other applicable laws on the operation of the Company and the rules made thereunder:

I have examined the systems and procedures of the Company in place to ensure the compliance with general laws like Labour Laws, Employees Provident Funds Act, Employees State Insurance Act, considering and relying upon representations made by the Company and its Officers for systems and mechanisms formed by the Company for compliance under these laws and other applicable sector specific Acts, Laws, Rules and Regulations applicable to the Company and its observance by them.

The Company has duly complied with the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) during the audit period.

## ANNEXURES TO DIRECTORS' REPORT

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

### **I 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 seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions were carried out with unanimous approval of the Board and there was no instance of dissent voting by any member during the period under review.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger / amalgamation / reconstruction etc.
- (v) Foreign technical collaborations.

Place : Chennai

Date : April 15, 2016

Signature:

**P. Sriram & Associates**

FCS No. 4862

C P No: 3310

This Report is to be read with my testimony of even date which is annexed as Annexure A and forms an integral part of this report.



## ANNEXURES TO DIRECTORS' REPORT

'Annexure A'

**To  
The Members,  
Blue Dart Aviation Limited**

My report of even date is to be read along with this supplementary testimony.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, the company had followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The 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.

Place : Chennai

Date : April 15, 2016

Signature:

**P. Sriram & Associates**

FCS No. 4862

C P No: 3310

# ANNEXURES TO DIRECTORS' REPORT

## 'ANNEXURE C'

### EXTRACT OF ANNUAL RETURN

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### FORM NO. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS:

i. CIN	:	U35303MH1994PLC078691
ii. Registration Date	:	May 31, 1994
iii. Name of the Company	:	Blue Dart Aviation Limited
iv. Category / Sub-Category of the Company	:	Company having Share Capital
v. Address of the Registered office and contact details	:	Blue Dart Centre, Sahar Airport Road, Andheri (East) Mumbai - 400 099, India. Tel.No. +91 22 28396444
vi. Whether listed company Yes / No	:	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	:	NIL

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Express Air Charter Service	5120	99%
2	Business Support Service	8299	1%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Blue Dart Express Limited	L61074MH1991PLC061074	Holding	74%	2(46)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2015 i.e. on the basis of Shareholding Pattern of March 31, 2015)				No. of Shares held at the end of the year (as on March 31, 2016 i.e. on the basis of Shareholding Pattern of March 31, 2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0

## ANNEXURES TO DIRECTORS' REPORT

d) Bodies Corp.	0	11760000	11760000	49.00	0	17760000	17760000	74.00	25.00
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	0	11760000	11760000	49.00	0	17760000	17760000	74.00	25.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	0	11760000	11760000	49.00	0	17760000	17760000	74.00	25.00
B. Public Shareholding									
1) Institutions									
a) Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	0	0	0	0	0	0	0	0	0
(2) Non-Institutions									
a) Bodies Corporate	0	0	0	0	0	0	0	0	0
i) Indian	0	4080000	4080000	17.00	0	0	0	0	-17.00
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0	0	0	0	0	0
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	0	4080000	4080000	17.00	0	3120000	3120000	13.00	-4.00
c) Others (specify)	0	0	0	0	0	0	0	0	0
1. Clearing Member									
2. NRI	0	4080000	4080000	17.00	0	3120000	3120000	13.00	-4.00
3. Foreign Portfolio Investor (Corporate)	0	0	0	0	0	0	0	0	0
4. OCB	0	0	0	0	0	0	0	0	0

## ANNEXURES TO DIRECTORS' REPORT

<b>Sub-Total (B)(2):</b>	0	12240000	12240000	51.00	0	6240000	6240000	26.00	-25.00
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	0	12240000	12240000	51.00	0	6240000	6240000	26.00	-25.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	24000000	24000000	100	0	24000000	24000000	100	0.00

### ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Blue Dart Express Limited	11760000	49	0	17760000	74	0	25

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		No. of Shares held at the beginning of the year (as on April 1, 2015 i.e. on the basis of Shareholding Pattern of March 31, 2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	117,60,000	49	117,60,000	49
2.	<u>Brought during the year</u>				
	June 22, 2015	40,80,000	17	158,40,000	66
	June 22, 2015	9,60,000	4	168,00,000	70
	July 29, 2015	9,60,000	4	177,60,000	74
3.	At the End of the year			177,60,000	74

### iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.		Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	Increase	Decrease	No. of Shares	% of total Shares of the company
1.	Trinity Finsec Private Limited	4080000	17.00	0	4080000	0	0

## ANNEXURES TO DIRECTORS' REPORT

### (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
<b>1.</b>	<b>Mr. Tushar K. Jani</b>				
	At the beginning of the year	4080000	17.00	4080000	17.00
	Date wise Increase / (Decrease) in Share holding during the year (29.07.2015)	(960000)	(4.00)	3120000	13.00
	At the End of the year	3120000	13.00	3120000	13.00
<b>2.</b>	<b>Mr. Clyde C. Cooper</b>				
	At the beginning of the year	4080000	17.00	4080000	17.00
	Date wise Increase / (Decrease) in Share holding during the year (22.06.2015)	(960000)	(4.00)	3120000	13.00
	At the End of the year	3120000	13.00	3120000	13.00
	None of the Key Managerial Personnel hold shares in the Company				

### (v) INDEBTEDNESS

₹ in lacs

#### Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	6000	12556	0	18556
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	6000	12556	0	18556
<b>Change in Indebtedness during the financial year</b>				
• Addition	0	0	0	0
• Reduction	0	3208	0	3208
<b>Net Change</b>	0	3208	0	3208
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6000	9348	0	15348
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	6000	9348	0	15348



## ANNEXURES TO DIRECTORS' REPORT

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

₹ in lacs

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		Tulsi Nowlakha Mirchandaney, Managing Director
1.	<b>Gross salary</b>	
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	213.51
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.29
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify...	-
5.	Others, please specify	-
	<b>Total (A)</b>	213.80
	Ceiling as per the Act	Refer note

Note : The remuneration payable to MD is as per the provisions of Companies Act, 2013.

#### B. Remuneration to other Directors:

₹ in lacs

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
(1)	Independent Directors			
		Air Marshal Michael McMahon	Air Marshal VA Patkar	
	- Fee for attending board / committee meetings	4.2	3.0	7.2
	- Commission	-	-	-
	- Others, please specify	-	-	-
Total (1)		4.2	3.0	7.2
(2)	Other Non – Executive Directors & Non-Independent Directors			
		Tushar K Jani	Clyde C. Cooper	
	- Fee for attending board / committee meetings	3.6	0.9	4.5
	- Commission	-	-	-
	- Others, please specify	-	-	-
Total (2)		3.6	0.9	4.5
Total (1) + (2)				11.7

## ANNEXURES TO DIRECTORS' REPORT

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

₹ in lacs

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. P. Parameshwaran Chief Financial Officer	Mr. N. Palaniappan Company Secretary	
1.	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	51.00	22.50	73.50
	b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.29	0.22	0.51
	c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
	Total	51.29	22.72	74.01

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/COURT]	Appeal made, if any (give Details)
<b>Company</b> Penalty Punishment Compounding			None		
<b>Directors</b> Penalty Punishment Compounding			None		
<b>Other officers in Default</b> Penalty Punishment Compounding			None		

## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE - D'

#### **PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE**

##### **A) Earnings in Foreign Currency**

Earnings in foreign currency during year ended March 31, 2016 was ₹ 848 lacs.

(March 31, 2015: ₹ 3,562 lacs)

##### **B) Expenditure in Foreign Currency**

Expenditure in foreign currency during year ended March 31, 2016 was ₹ 8,365 lacs.

(March 31, 2015: ₹ 8,789 lacs)

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF BLUE DART AVIATION LIMITED

### REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of Blue Dart Aviation Limited("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies(Accounts) Rules, 2014. 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 judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10)of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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, 2016, and its profit and its cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF BLUE DART AVIATION LIMITED

10. 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.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - (i) The Company does not have any pending litigations as at March 31, 2016 which would impact its financial position;
  - (ii) The Company has long-term contracts as at March 31, 2016, for which there were no material foreseeable losses. The Company does not have any derivative contract as at March 31, 2016;
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

Place: Mumbai  
Date: April 15, 2016

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869



## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Blue Dart Aviation Limited on the financial statements for the year ended March 31, 2016

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Blue Dart Aviation Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. 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 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 Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 over financial reporting 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Blue Dart Aviation Limited on the financial statements for the year ended March 31, 2016

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Place: Mumbai  
Date: April 15, 2016

Sumit Seth  
Partner  
Membership Number: 105869

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Blue Dart Aviation Limited on the financial statements as of and for the year ended March 31, 2016

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The Company does not own any immovable properties as disclosed in Note 12 on fixed assets to the financial statements. Therefore, the provisions of Clause 3(i)(c) of the said Order are not applicable to the Company.
- ii. The inventory which consist of consumables and loose tools have been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are

no dues of income-tax, sales-tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute. The particulars of dues of service tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amt ₹ in Lacs	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax (excluding interest and penalty, as applicable)	3,571	FY 2008-09 to FY 2013-14	Central Excise and Service Tax Appellate Tribunal

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank. Further, there are no loans or borrowings from Government or debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Further, according to the information and explanation given to us, term loans have been applied, on an overall basis, for the purpose for which they were obtained.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. According to the information and explanations given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Sections 196 and 197 read together with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014. In this regard, the appointment and terms of managerial remuneration of the Company's Managing Director was approved by the Company's shareholders vide a special resolution dated March 10, 2015. Though such managerial remuneration is in excess of the limits specified in section 197 read with Schedule V to the Act, as explained to us, the Central Government approval is not required, since the Company's shareholders had already appointed and approved such managerial remuneration prior to the Company becoming a subsidiary of a listed company. The Company has also notified the same to the Ministry of Corporate Affairs in July 2015.

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Blue Dart Aviation Limited on the financial statements as of and for the year ended March 31, 2016

- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Place: Mumbai  
Date: April 15, 2016

Sumit Seth  
Partner  
Membership Number: 105869

# BLUE DART AVIATION LIMITED

## BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	2,400	2,400
Reserves and Surplus	4	2,344	2,032
		4,744	4,432
<b>NON-CURRENT LIABILITIES</b>			
Long-term Borrowings	5	11,437	15,348
Other Long-term Liabilities	7	3,248	3,407
Long-term Provisions	8	275	175
		14,960	18,930
<b>CURRENT LIABILITIES</b>			
Trade Payables	9		
Total outstanding dues of Micro enterprises and small enterprises		15	5
Total outstanding dues of creditors other than of Micro enterprises and small enterprises		2,849	2,510
Other Current Liabilities	10	6,211	4,129
Short-term Provisions	11	205	107
		9,280	6,751
<b>TOTAL</b>		<b>28,984</b>	<b>30,113</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Tangible Assets	12	19,753	21,569
Intangible Assets	12	1,279	1,150
Capital Work-in-Progress		94	190
		21,126	22,909
Deferred Tax Asset (Net)	6	2,679	1,966
Long-term Loans and Advances	13	1,567	1,171
Other Non-Current Assets	14	1	4
		25,373	26,050
<b>CURRENT ASSETS</b>			
Inventories	15	1,592	1,480
Trade Receivables	16	281	1,732
Cash and Bank Balances	17	22	97
Short-term Loans and Advances	18	898	754
Other Current Assets	19	818	-
		3,611	4,063
<b>TOTAL</b>		<b>28,984</b>	<b>30,113</b>

The accompanying notes are an integral part of these financial statements.

As per our report of even date

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**Tushar K. Jani**  
Chairman  
DIN:192621

**Air Marshal M . McMahon (Retd.,)**  
Director  
DIN:234293

Place: Mumbai  
Date: April 15, 2016

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN:1842520

**N. Palaniappan**  
Company Secretary &  
Sr. Manager-Finance

**Air Marshal Vijay Achyut Patkar (Retd.,)**  
Director  
DIN:07037116

**P. Parameshwaran**  
Chief Financial Officer



# BLUE DART AVIATION LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>REVENUE</b>			
Revenue from Operations	20	58,236	65,563
Other Income	21	1,145	357
<b>Total Revenue</b>		<b>59,381</b>	<b>65,920</b>
<b>EXPENSES</b>			
Operating Costs	22	30,623	39,770
Employee Benefits Expense	23	13,215	10,771
Finance Costs	24	1,718	2,322
Depreciation and Amortisation Expense	25	6,188	6,813
Other Expenses	26	7,171	5,750
<b>Total Expenses</b>		<b>58,915</b>	<b>65,426</b>
<b>PROFIT BEFORE TAX</b>		<b>466</b>	<b>494</b>
Tax Expense: [Refer Note 2(k)]			
Current Tax		867	2,098
Deferred Tax		(713)	(2,043)
<b>PROFIT FOR THE YEAR</b>		<b>312</b>	<b>439</b>
<b>Earnings Per Equity Share</b> [Refer note 27]			
[Nominal value of share ₹ 10 each] (Previous Year - ₹ 10)			
Basic Earnings Per Share (in ₹)		1.30	1.83
Diluted Earnings Per Share (in ₹)		1.30	1.83

The accompanying notes are an integral part of these financial statements.

As per our report of even date

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

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Director  
DIN:07037116

**P. Parameshwaran**  
Chief Financial Officer

# BLUE DART AVIATION LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>A. Cash flows from Operating activities:</b>		
Profit before Tax	466	494
<b>Adjustments for:</b>		
Depreciation / Amortisation	6,188	6,813
Loss on sale/scraping of fixed assets (Net)	22	-
Interest expense	1,718	2,322
Interest income	-	(4)
Rotables/Components & Overhaul written off	344	3,294
Unrealised loss/(gain) on Foreign Currency Transactions and Translation	(11)	21
Liabilities no longer required written back	(51)	(187)
Provision for Slow moving Inventory	133	305
Provision for Gratuity	61	33
Provision for Compensated absences	137	51
<b>Operating profit before working capital changes</b>	<b>9,007</b>	<b>13,142</b>
<b>Adjustments for changes in working capital:</b>		
(Increase) / Decrease in Inventories	(245)	(161)
(Increase) / Decrease in Trade Receivables	1,451	(823)
(Increase) / Decrease in Other Receivables	(991)	(55)
Increase / (Decrease) in Trade Payables and other current liabilities	1,284	(1,924)
<b>Cash generated from Operations</b>	<b>10,506</b>	<b>10,179</b>
Taxes paid (net)	(1,126)	(2,335)
<b>Net cash generated from Operating activities</b>	<b>9,380</b>	<b>7,844</b>
	(A)	
<b>B. Cash flows used in Investing activities:</b>		
Purchase of tangible/ intangible assets	(5,027)	(3,724)
Changes in capital work in progress	96	585
Proceeds from sale/ disposal of tangible assets	90	3,660
Proceeds from maturity of Bank Fixed Deposit	3	1
Interest received	-	13
<b>Net cash used in Investing activities</b>	<b>(4,838)</b>	<b>535</b>
	(B)	
<b>C. Cash flows from / (used in) Financing activities:</b>		
Bank Overdraft facility (net)	309	-
Repayment /settlement of Unsecured Term Loan from Blue Dart Express Limited	(3,208)	(6,943)
Interest paid	(1,718)	(2,322)
<b>Net cash used in Financing activities</b>	<b>(4,617)</b>	<b>(9,265)</b>
	(C)	
<b>Net change in Cash and Cash Equivalents</b>	<b>(75)</b>	<b>(886)</b>
	(A+B+C)	
<b>Cash and cash equivalents at the beginning of the year</b>	<b>97</b>	<b>983</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>22</b>	<b>97</b>

# BLUE DART AVIATION LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

### Cash and Cash Equivalents Comprise of:

Cash on hand  
Balance with Scheduled Banks on current accounts

Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
3	4
19	93
<b>22</b>	<b>97</b>

### Notes:

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard on Cash Flow Statements (AS-3) as notified under the Companies Act, 1956 (the "Act") read with Section 133 of the Companies Act, 2013 and Rule 7 of the Companies Act, (Accounts) Rules 2014.
- Previous year's figures have been regrouped/reclassified wherever necessary to conform to the current year's classification (Refer note 39).

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**Tushar K. Jani**  
Chairman  
DIN:192621

**Air Marshal M. McMahon (Retd.)**  
Director  
DIN:234293

Place: Mumbai  
Date: April 15, 2016

**Tulsi Nowlakhia Mirchandaney**  
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DIN:1842520

**N. Palaniappan**  
Company Secretary &  
Sr. Manager-Finance

**Air Marshal Vijay Achyut Patkar (Retd.)**  
Director  
DIN:07037116

**P. Parameshwaran**  
Chief Financial Officer

# SCHEDULES

## Notes forming part of Financial Statements as of and for the year ended March 31, 2016

### 1. General Information

Blue Dart Aviation Limited ('the Company') was incorporated on May 31, 1994. The Company is authorised by the Director General of Civil Aviation to commercially operate aircrafts for transporting cargo and to provide aircraft maintenance services. "Express Air Charter Services" income is generated from the charter flight services rendered exclusively to Blue Dart Express Limited.

### 2 Significant Accounting Policies

#### a. Basis of preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs( MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated 30 March 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. 1 April 2016.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

#### b. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

### c. Fixed Assets and Depreciation/Amortisation

#### Tangible Assets:

Tangible assets are stated at acquisition cost less accumulated depreciation.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Capital work-in-progress represents fixed assets that are not yet ready for their intended use at the reporting date.

Depreciation for assets purchased/sold during a period is proportionately charged. Individual assets costing upto Rs 5,000 are depreciated over a period of one year from the date put to use.

Depreciation is provided on a pro-rata basis on the straight-line method over the useful life of the assets as estimated by Management or as per the useful life prescribed under schedule II of the Companies Act, 2013, whichever is lower, as follows:

Asset	Useful Life
Leasehold Improvements	Over period of lease
Aircraft Rotable Parts	10 years
Computers (Hardware)	3 to 6 years

Aircraft components and overhaul includes the cost of engines overhaul, components and modifications of airframes owned and contractually liable to be incurred by the Company. Such costs are depreciated / amortised on the basis of hours flown or the life cycle of the overhaul programme, as applicable.

#### Intangible Assets:

Intangible assets are stated at acquisition cost, net of accumulated amortisation. Intangible assets are amortised on a straight line basis over the estimated useful life. The Company capitalises the cost of Type-Certification course of Pilots and Engineers, and amortises it using the straight-line method over a period of three to five years, being the estimated useful economic life based on the contractual terms with the Pilots and Engineers.

### d. Impairment of Assets

The Company assesses at each reporting date whether there is any indication that an asset (tangible or intangible) may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2016

impaired and is written down to its recoverable amount. Impairment losses are recognised in the Statements of Profit and Loss. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased and reversals, if any, are recorded in the Statement of Profit and Loss for the year.

#### e. Borrowing costs

General and specific borrowing cost directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expense in the Statement of Profit and Loss in the period in which they are incurred.

#### f. Inventories

Inventory of consumables and loose tools are valued at lower of cost and net realisable value. The cost is calculated at purchase price and expenditure directly attributable to the acquisition of such inventories for bringing them to their present location using the specific identification method.

#### g. Revenue Recognition

##### Express Air Charter Services (net of service tax):

Service charges for the Express Air Charter Services are recognised in accordance with the Aircraft Crew Maintenance Insurance (ACMI) Agreement and constitute revenue earned in connection with operating aircrafts for Blue Dart Express Limited on the basis of an agreed mark-up on cost incurred. This includes reimbursement towards certain aircraft operating costs.

##### Business Support Service Income (net of service tax):

Income from Infrastructure sharing services is recognised, as and when such services are rendered, on the basis of an agreed mark-up on costs incurred, in accordance with the arrangements entered into or at the contracted rates.

##### Interest Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding at applicable interest rate.

#### h. Foreign Currency Transactions

##### Initial Recognition:

Foreign Currency transactions are recorded at the exchange rate prevailing on the date of the transactions.

Exchange differences on restatement and settlement of monetary assets and liabilities denominated in foreign

currencies are recognised in the Statement of Profit and Loss.

#### i. Employee Benefits

##### Defined Contribution Plans:

Contribution towards Provident Fund is made to the regulatory authorities. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

The Company contributes to Employee's State Insurance Fund and Employee's Pension Scheme 1995 and has no further obligation beyond making its contribution.

Company's contributions to the above funds are charged to the Statement of Profit and Loss for the year when the contributions are due.

##### Defined Benefit Plans:

**Gratuity:** The Company provides for gratuity, under a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

Liability for Defined Benefit Plan is provided on the basis of valuations, as at the Balance Sheet Date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

##### Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year.

Actuarial losses/ gains comprise experience adjustments and the effects of changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the year in which they arise.

#### j. Leases

Leases in which a significant portion of the risks and



## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2016

rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rental payments are recognized as an expense in the Statement of Profit and Loss.

#### k. Current Tax and Deferred Tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws during the relevant assessment year.

Deferred tax is recognised for all timing differences, subject to consideration of prudence, in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised for unabsorbed depreciation and carry forward of losses to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

#### l. Provisions

Provisions are recognised when there is a present obligation 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 there is a realisable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

#### m. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### n. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period.

#### o. Use of Estimates

The preparation of Financial Statements in accordance with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of Financial Statements and the reported amount of expenses of the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised in the accounting period in which such revision takes place.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

### 3. Share Capital

Authorised

4,00,00,000 Equity Shares of ₹ 10 each

Issued, Subscribed and Fully Paid up

2,40,00,000 Equity Shares of ₹10 each fully paid-up

**Total**

As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
4,000	4,000
2,400	2,400
<b>2,400</b>	<b>2,400</b>

#### a. Reconciliation of the number of shares

	Year ended March 31, 2016		Year ended March 31, 2015	
	Number of shares	Amount (₹ in lacs)	Number of shares	Amount (₹ in lacs)
Balance as at the beginning of the year	2,40,00,000	2,400	2,40,00,000	2,400
Additions/Deletions during the year	-	-	-	-
Balance as at the end of the year	2,40,00,000	2,400	2,40,00,000	2,400

#### b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares at a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

#### c. Shares held by holding company

Out of the above equity shares issued by the Company, shares held by the holding company:

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Blue Dart Express Limited, the Holding Company		
1,77,60,000 (Previous Year: 1,17,60,000) equity shares of ₹ 10 each fully paid up	1,776	1,176

#### d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	% held as at	Number of shares	% held as at
Blue Dart Express Limited ('BDEL') and its nominees	1,77,60,000	74%	1,17,60,000	49%
Mr. Tushar K. Jani	31,20,000	13%	40,80,000	17%
Mr. Clyde C.Cooper	31,20,000	13%	40,80,000	17%
Trinity Finsec Private Limited*	-	-	40,80,000	17%
<b>Total</b>	<b>2,40,00,000</b>	<b>100%</b>	<b>2,40,00,000</b>	<b>100%</b>

\* During the year Trinity Finsec Private Limited had transferred 40,80,000 shares to Blue Dart Express Limited on June 22, 2015 and similarly Mr.Clyde C. Cooper and Mr. Tushar K. Jani have transferred 9,60,000 shares to Blue Dart Express Limited on June 22, 2015 and July 29, 2015 respectively.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

### 4 RESERVES AND SURPLUS

#### Securities Premium Reserve

Balance as at the beginning of the year

Addition/utilisation during the year

**Balance as at the end of the year**

#### Surplus in the Statement of Profit and Loss

Balance as at the beginning of the year

Add/(Less): Additional Depreciation(net of tax of Rs 76 Lacs) pursuant to enactment of Schedule II of the Companies Act 2013 [Refer Note 12]

Net Profit for the year

**Balance as at the end of the year**

**Total**

### 5 LONG TERM BORROWINGS

#### Unsecured

Term Loan from Bank (Refer note below)

Term Loan from Blue Dart Express Limited (Refer note 34)

**Total**

#### Security and Salient Terms:

During the FY 2013-14, the Company has taken an unsecured term loan of Rs 6,000 (lacs) from Barclays Bank Plc and refinancing of existing financial indebtedness for meeting its capital expenditure obligations. The loan is repayable over a period of sixty months. Repayment of the loan is in equal quarterly instalments, commences from the 39th month (initial 38 months being the moratorium period). The loan carries interest at the rate of 9.7% per annum for the first 34 months, subject to reset after the end of the 34th month. For the said loan facility, the debt covenants are to be met by Blue Dart Express Limited.

### 6. DEFERRED TAX ASSET/(LIABILITIES) (NET) [Refer Note 2(k)]

#### Deferred Tax Assets

Depreciation/ Amortisation

Other timing differences

**Total**

### 7. OTHER LONG-TERM LIABILITIES

Aircraft Payload Deposit from Blue Dart Express Limited

Deposit Received from DHL Express (India) Private Limited

Deposit Received from DHL Logistics Private Limited

**Total**

### 8. LONG-TERM PROVISIONS

#### Provision for Employee Benefits:

[Refer notes 2 (i) and 23]

Provision for Compensated Absences

**Total**

### 9. TRADE PAYABLES

Trade Payables [Refer note 31 for details of dues to Micro and Small Enterprises]

Total outstanding dues of Micro enterprises and small enterprises

Total outstanding dues of creditors other than outstanding dues

of Micro enterprises and small enterprises

**Total**

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>4 RESERVES AND SURPLUS</b>		
<b>Securities Premium Reserve</b>		
Balance as at the beginning of the year	600	600
Addition/utilisation during the year	-	-
<b>Balance as at the end of the year</b>	<b>600</b>	<b>600</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	1,432	1,140
Add/(Less): Additional Depreciation(net of tax of Rs 76 Lacs) pursuant to enactment of Schedule II of the Companies Act 2013 [Refer Note 12]	-	(147)
Net Profit for the year	312	439
<b>Balance as at the end of the year</b>	<b>1,744</b>	<b>1,432</b>
<b>Total</b>	<b>2,344</b>	<b>2,032</b>
<b>5 LONG TERM BORROWINGS</b>		
<b>Unsecured</b>		
Term Loan from Bank (Refer note below)	6,000	6,000
Term Loan from Blue Dart Express Limited (Refer note 34)	5,437	9,348
<b>Total</b>	<b>11,437</b>	<b>15,348</b>
<b>6. DEFERRED TAX ASSET/(LIABILITIES) (NET) [Refer Note 2(k)]</b>		
<b>Deferred Tax Assets</b>		
Depreciation/ Amortisation	2,132	1,667
Other timing differences	547	299
<b>Total</b>	<b>2,679</b>	<b>1,966</b>
<b>7. OTHER LONG-TERM LIABILITIES</b>		
Aircraft Payload Deposit from Blue Dart Express Limited	2,150	2,150
Deposit Received from DHL Express (India) Private Limited	1,098	1,248
Deposit Received from DHL Logistics Private Limited	-	9
<b>Total</b>	<b>3,248</b>	<b>3,407</b>
<b>8. LONG-TERM PROVISIONS</b>		
<b>Provision for Employee Benefits:</b>		
[Refer notes 2 (i) and 23]		
Provision for Compensated Absences	275	175
<b>Total</b>	<b>275</b>	<b>175</b>
<b>9. TRADE PAYABLES</b>		
Trade Payables [Refer note 31 for details of dues to Micro and Small Enterprises]		
Total outstanding dues of Micro enterprises and small enterprises	15	5
Total outstanding dues of creditors other than outstanding dues of Micro enterprises and small enterprises	2,849	2,510
<b>Total</b>	<b>2,864</b>	<b>2,515</b>

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

### 10. OTHER CURRENT LIABILITIES

Current maturities of Term Loan from Blue Dart Express Limited (Refer note 34)	3,911	3,208
Bank Overdraft	309	-
Employee benefits payable	828	153
Statutory dues (including Provident fund, Employees' State Insurance and Tax Deducted at Source)	327	270
Deposit Received from DHL Express (India) Private Limited	150	150
Other payables	686	348

**Total**

As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
3,911	3,208
309	-
828	153
327	270
150	150
686	348
<b>6,211</b>	<b>4,129</b>

### 11. SHORT TERM PROVISIONS

#### Provision for Employee Benefits:

[Refer notes 2 (i) and 23]

Provision for Gratuity

Provision for Compensated absences

**Total**

94	33
111	74
<b>205</b>	<b>107</b>

### 12. FIXED ASSETS

[Refer Notes 2(c), 2(d) and 25]

in ₹ Lacs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2015	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Tangible Assets:</b>									
Leasehold Improvements	5,551	-	-	5,551	2,151	298	-	2,449	3,102
Aircraft Rotable Parts (Refer Note (a) below)	11,550	518	2,120	9,948	7,475	1,003	1,894	6,584	3,364
Aircraft Components and Overhaul	15,437	3,041	2,176	16,302	7,594	3,430	2,007	9,017	7,285
Ground Equipment	7,274	610	477	7,407	2,821	606	434	2,993	4,414
Office Equipment	282	57	17	322	211	38	25	224	98
Electrical Equipment	1,079	52	66	1,065	486	121	59	548	517
Computers	757	118	192	683	600	50	190	460	223
Furniture and Fittings	1,816	6	383	1,439	941	191	381	751	688
Vehicles	570	-	95	475	468	36	91	413	62
<b>Total Tangible Assets</b>	<b>44,316</b>	<b>4,402</b>	<b>5,526</b>	<b>43,192</b>	<b>22,747</b>	<b>5,773</b>	<b>5,081</b>	<b>23,439</b>	<b>19,753</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2015	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Intangible Assets:</b>									
Computers - Software	1,062	131	241	952	620	115	241	494	458
Type Certification Course	1,080	424	123	1,381	372	300	112	560	821
<b>Total Intangible Assets</b>	<b>2,142</b>	<b>555</b>	<b>364</b>	<b>2,333</b>	<b>992</b>	<b>415</b>	<b>353</b>	<b>1,054</b>	<b>1,279</b>

#### Notes:

- Company has charged accelerated depreciation on certain rotatable parts which are unserviceable / retired from active use for operation and accordingly, depreciation charge for the current year is higher by ₹ 301 lacs for 'Aircraft Rotables Parts'.
- As a prudent practice, Company has been depreciating full value of the assets, though the assets will have residual value and Companies Act, 2013, also allows upto 5% to be retained as a residual value.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

### 12. FIXED ASSETS

[Refer Notes 2(c), 2(d) and 25]

in ₹ Lacs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION					NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	For the Year	Retained Earnings adjustment (refer note 'd' below)	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Tangible Assets:</b>										
Leasehold Improvements	5,551	-	-	5,551	1,852	299	-	-	2,151	3,400
Aircraft Rotable Parts (Refer Note (a) below)	10,383	1,337	170	11,550	6,241	1,350	-	116	7,475	4,075
Aircraft Components and Overhaul	21,222	962	6,747	15,437	7,180	3,920	-	3,506	7,594	7,843
Ground Equipment	6,899	443	68	7,274	2,256	506	127	68	2,821	4,453
Office Equipment	402	49	4	447	144	63	76	4	279	168
Electrical Equipment	880	79	11	948	341	105	5	8	443	505
Computers	688	64	29	723	553	51	-	29	575	148
Furniture and Fittings	1,525	294	3	1,816	760	174	9	2	941	875
Vehicles	580	-	10	570	414	57	6	9	468	102
<b>Total Tangible Assets</b>	<b>48,130</b>	<b>3,228</b>	<b>7,042</b>	<b>44,316</b>	<b>19,741</b>	<b>6,525</b>	<b>223</b>	<b>3,742</b>	<b>22,747</b>	<b>21,569</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION					NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	For the Year	Retained Earnings adjustment (refer note 'd' below)	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Intangible Assets:</b>										
Computers - Software	951	111	-	1,062	529	91	-	-	620	442
Type Certification Course	655	425	-	1,080	175	197	-	-	372	708
<b>Total Intangible Assets</b>	<b>1,606</b>	<b>536</b>	<b>-</b>	<b>2,142</b>	<b>704</b>	<b>288</b>	<b>-</b>	<b>-</b>	<b>992</b>	<b>1,150</b>

#### Notes:

- Company has charged accelerated depreciation on certain aircraft components and overhaul and rotables parts which are unserviceable / retired from active use for operation and accordingly, depreciation charge for the current year is higher by ₹ 829 lacs for 'Aircraft Component and Overhaul' and ₹ 456 lacs for 'Aircraft Rotables Parts'.
- During the year, two 'C' Type aircraft engines encountered technical snag and hence, resulted in unscheduled removal from the operation. This has resulted into removal / adjustment to gross block of 'Aircraft Component and Overhaul' amounting to ₹ 4,870 lacs (accumulated depreciation of ₹ 2,371 lacs) and the remaining unabsorbed written down value of ₹ 2,499 lacs is written off and disclosed under Note 22 as 'Rotables / Component & Overhaul write off'.
- During the year, the Company has returned one leased Aircraft to the lessor. The improvements made on such leased aircraft which were capitalised under 'Aircrafts Component and Overhaul' amounting to ₹ 1,877 lacs (accumulated depreciation of ₹ 1,136 lacs) have been removed and the remaining unabsorbed written down value of ₹ 741 lacs is written off and disclosed under Note 22 as 'Rotables / Component & Overhaul write off'.
- In accordance with the provisions of Schedule II of the Act, in case of fixed assets which have completed their useful life as at 1st April 2014, the carrying value (net of residual value) amounting to ₹ 147 lacs (net of deferred tax of ₹ 76 lacs) as a transitional provision has been recognised in the Retained Earnings.
  - Further, in case of assets acquired prior to 1st April 2014, the carrying value of assets (net of residual value) is depreciated over the remaining useful life as determined effective 1st April, 2014
  - Depreciation and amortization expenses for the year would have been lower by ₹ 410.92 lacs, had the Company continued with the previous assessment of useful life of such assets which were largely in line with Schedule XIV of the Companies Act, 1956.



## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>13. LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated)		
Advance Tax (Net of Provision of ₹ 3438 (lacs), previous year ₹ 2570 (lacs))	668	409
Deposits	793	663
Capital Advances	80	10
Other Loans and Advances:		
Prepaid Expenses	26	89
<b>Total</b>	<b>1,567</b>	<b>1,171</b>
<b>14. OTHER NON-CURRENT ASSETS</b>		
Long term deposits with banks with maturity period more than 12 months (Refer note (a) below)	1	4
<b>Total</b>	<b>1</b>	<b>4</b>
Note : a) An amount of Rs. 1 (in lacs) [Previous year Rs. 4 (in lacs)] in the deposit accounts above were given as security against certain facilities availed from the Airports Authority of India.		
<b>15. INVENTORIES [Refer note 2(f)]</b>		
Consumables(@)	1,313	1,245
Loose Tools	279	235
<b>Total</b>	<b>1,592</b>	<b>1,480</b>
@ Net of provision for slow-moving items of ₹ 638 (lacs), (Previous Period - ₹ 505 lacs)		
<b>16. TRADE RECEIVABLES</b>		
(Unsecured considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other receivables	281	1,732
<b>Total</b>	<b>281</b>	<b>1,732</b>
<b>17. CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Cash on hand	3	4
Balances with banks		
In current accounts	19	93
<b>Total</b>	<b>22</b>	<b>97</b>
<b>18. SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Prepaid Expenses	667	520
Balance with Government Authorities	93	118
Others	138	116
<b>Total</b>	<b>898</b>	<b>754</b>
<b>19. OTHER CURRENT ASSETS</b>		
(Unsecured, considered good)		
Interest Accrued on Deposits*	-	-
Other receivables arising from Return of Aircraft	818	-
*Amount is below the rounding off norm adopted by the Company		
<b>Total</b>	<b>818</b>	<b>-</b>

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>20. REVENUE FROM OPERATIONS</b>		
Express Air Charter Services [Refer Note 2(g)]	57,478	64,831
<b>Other Operating Income</b>		
Business Support Service Income [Refer Note 2(g)]	758	732
<b>Total</b>	<b>58,236</b>	<b>65,563</b>
<b>21. OTHER INCOME</b>		
Interest on deposits with banks* [Refer Note 2(g)]	-	4
Sale of Spares / Services	208	101
Capital Expenditure Reimbursement on return of aircraft	750	-
Provision/Liabilities no longer required written back	51	187
Miscellaneous Income	136	65
<b>Total</b>	<b>1,145</b>	<b>357</b>
* Amount is below the rounding off norm adopted by the Company		
<b>22. OPERATING COSTS</b>		
Aircraft Fuel	16,571	22,308
Aircraft and Engine Lease Rentals [Refer Note 2(j)]	6,640	6,822
Navigation Charges	3,553	3,166
Engineering Maintenance Costs	1,174	1,798
Loss on sale/scraping of Rotables/Components & Overhaul written off [Refer Note 12]	344	3,294
Consumption of Stores and Spare Parts	1,165	1,055
Provision for slow-moving inventory	133	305
Aircraft Insurance	206	197
Handling and Clearing	553	495
Interline Expenses	284	330
<b>Total</b>	<b>30,623</b>	<b>39,770</b>
<b>23. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Bonus and Leave Encashment	11,655	9,730
Contribution to provident and other funds	303	213
Gratuity	404	106
Staff Welfare Expenses	853	722
<b>Total</b>	<b>13,215</b>	<b>10,771</b>

The Company has classified the various benefits provided to employees as under:-

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>I. Defined Contribution Plans</b>		
- Employer's Contribution to Provident Fund	199	128
- Employer's Contribution to Employees' State Insurance	14	15
- Employer's Contribution to Employees' Pension Scheme 1995	90	70

During the year, the Company has recognised the above amounts in the Statement of Profit and Loss under "Contribution to provident and other funds".

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

### II. Defined Benefit Plan

Valuations in respect of Gratuity has been carried out by an independent actuary, as at the Balance sheet date, based on the following assumptions:

Discount Rate (per annum)	7.96%	8.03%
Rate of increase in Compensation levels	7.25%	7.25%
Rate of Return on Plan Assets	7.96%	8.03%

#### A) Changes in the Present Value of Obligation

Present Value of Obligation at the beginning of the year	725	544
Interest Cost	58	51
Current Service Cost	54	42
Benefits Paid	(90)	(32)
Actuarial (gain)/ loss on obligations	369	121
<b>Present Value of Obligation as at year end</b>	<b>1,116</b>	<b>725</b>

#### (B) Changes in the Fair value of Plan Assets

Fair Value of Plan Assets at the beginning of the year	692	605
Expected Return on Plan Assets for the year	56	56
Actuarial Gains on Plan Assets for the year	21	(9)
Contributions for the year	343	72
Benefits Paid for the year	(90)	(32)
<b>Fair Value of Plan Assets at year end</b>	<b>1,022</b>	<b>692</b>

#### (C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets

Present Value of funded obligation as at the year end	(1,116)	(725)
Fair Value of Plan Assets as at the end of the year	1,022	692
Funded Status	(94)	(33)
Present Value of unfunded Obligation as at the year end	Nil	Nil
Unrecognised Actuarial (gains)/ losses	Nil	Nil
<b>Unfunded Net Asset/ (Liability) Recognised in Balance Sheet</b>	<b>-</b>	<b>-</b>

#### (D) Amount recognised in the Balance Sheet

Present Value of Obligation at the end of the year	(1,116)	(725)
Fair Value of Plan Assets as at the end of the year	1,022	692
<b>Asset / (Liability) recognised in the Balance Sheet</b>	<b>(94)</b>	<b>(33)</b>

#### E ) Expenses recognised in the Statement of Profit and Loss

Current service cost for the year	54	42
Past service cost for the year	-	-
Interest cost for the year	58	50
Expected return on plan assets for the year	(56)	(56)
Curtailment cost/ (credit)	Nil	Nil
Settlement cost/ (credit)	Nil	Nil
Net actuarial (gain)/ loss recognised in the year	348	129
<b>Total Expenses / (Gain) recognised in the Statement of Profit and Loss for the year *</b>	<b>404</b>	<b>166</b>

\*Excess payment of ₹ 60 lacs made to the Gratuity Fund in FY 2013-14 is adjusted in the FY 2014-15

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

**F ) Percentage of each category of Plan Assets to Total Fair Value of Plan Assets**

The plan Assets are administered by Life Insurance Corporation of India ("LIC") as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance and Regulatory Development Authority (IRDA) regulations.

**G) (i) Expected gratuity contribution for the next year is aggregating Rs.176.48 lacs (Previous Period is Rs 87 lacs)**

**(ii) Net Asset / (Liability recognised in Balance Sheet) :**

**I. Net Asset / (Liability) recognised in Balance Sheet:**

	As at 31 March 2016	As at 31 March 2015	As at 31 March 2014	15 Months Period ended 31 March, 2013	As at 31 December 2011
	in ₹ Lacs				
Present Value of Obligation at the close of the year	(1,116)	(725)	(544)	(598)	(372)
Fair Value of Plan Assets at the close of the year	1,022	692	604	501	406
Asset / (Liability) recognised in the Balance Sheet	(94)	(33)	Nil	(97)	34
<b>Change in Defined Benefit Obligation (DBO) during the year ended</b>					
Actuarial (gain) / loss for the year	369	121	(132)	178	(66)
<b>Change in the Fair Value of Plan Assets</b>					
Actuarial (gain) / loss for the year	21	9	6	39	5
<b>Experience Adjustments</b>					
Experience Adjustment on plan liabilities gain / (loss) for the year	361	124	(53)	148	(33)
Experience Adjustment on plan assets gain / (loss) for the year	21	9	6	39	6
<b>II. Actuarial Assumptions:</b>					
Discount Rate	7.96%	8.03%	9.31%	8.50%	8.25%
Expected Return on Plan Assets	7.96%	8.03%	9.31%	8.50%	8.25%
Salary Growth Rate	7.25%	7.25%	7.25%	7.25%	7.25%
Attrition Rate	1.00%	1.00%	1.00%	1.00%	1.00%

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotions and other relevant factors such as demand and supply in the employment market.

**H) Other Long-term Employee Benefits**

The liabilities for Compensated Absences as at the year end were Rs. 386 (Lacs) [Previous Period Rs.249 (Lacs)]

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>24. FINANCE COSTS</b>		
Interest Expense:		
- On Term loans	584	583
- On Unsecured term Loan from Blue Dart Express Limited	1,121	1,738
- On Others	13	1
<b>Total</b>	<b>1,718</b>	<b>2,322</b>
<b>25. DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation on Tangible assets	5,773	6,525
Amortisation on Intangible assets	415	288
<b>Total</b>	<b>6,188</b>	<b>6,813</b>
<b>26. OTHER EXPENSES</b>		
Rent [Refer Note 28]	3,638	2,664
Electricity	341	310
Repairs and Maintenance - Others	808	593
Communication Expenses	100	94
Directors sitting fees	12	7
Legal and Professional Expenses	108	71
Payment to Auditors		
As Auditor:		
Statutory Audit fees	16	14
Tax Audit fees	4	4
Reimbursement of Expenses*	0	0
Rates and taxes	73	68
Insurance	154	139
Lease and Hire charges [Refer Note 2(j) & Note 28]	29	23
Loss on Sale/Scrapping of Assets*	22	-
Net Loss on Foreign Currency Transactions and Translation [Refer Note 2(h)]	129	212
Printing and Stationery	214	196
Subscriptions Charges	276	236
Travelling Expenses	493	474
Miscellaneous expenses	754	645
<b>Total</b>	<b>7,171</b>	<b>5,750</b>
* Amount is below the rounding off norm adopted by the Company		
<b>27. EARNINGS PER SHARE</b>		
Profit for the year	312	439
Weighted average number of shares (Nos.)	2,40,00,000	2,40,00,000
Basic and Diluted Earnings Per Share (In ₹)	1.30	1.83
Nominal value of shares outstanding (In ₹)	10	10
<b>28. OPERATING LEASES [Refer Note 2(j)]</b>		

The Company has entered into various non-cancellable operating lease agreements for acquiring aircrafts, aircraft engine and premises. These lease agreements are for a period of 7 to 12 years. Future minimum lease rentals payable under non-cancellable operating leases are as follows:



## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>Operating Lease – Aircraft / Aircraft Engines</b>		
<b>Period</b>		
Upto one year	6,787	6,067
One to five years	23,944	23,775
Above five years	15,938	19,160
Charge for the year	6,640	6,821
<b>Operating Lease – Leasehold Land</b>		
<b>Period</b>		
Upto one year	344	312
One to five years	442	785
Above five years	-	-
Charge for the year	313	284

Company has entered into various cancellable leasing arrangements for motor cars, office equipments and for official premises. The lease rentals for motor cars is ₹ 82 (lacs) [Previous period ₹ 86 (lacs)], the same has been included under the head “Employee Benefits Expense Salaries, Bonus and Leave Encashment” under note 23 forming part of the Statement of Profit and Loss. Lease rentals for office equipments of ₹15 (lacs) [Previous period ₹ 5(lacs)] has been included under the head “Other Expenses - Lease and Hire charges” and lease rentals for official premises for the current period is ₹ 3638 (lacs) [Previous period ₹ 2,664 (lacs)] has been included under the head “Rent” under Note 26 forming part of the Statement of Profit and Loss.

### 29. SEGMENT INFORMATION

The Company is primarily engaged in a single segment business to operate aircraft and provide aircraft maintenance services within India for the business of integrated air and ground transportation and distribution of time-sensitive packages of Blue Dart Express Limited.

### 30. RELATED PARTY DISCLOSURES

#### (a) NAME OF RELATED PARTIES AND NATURE OF RELATIONSHIP:

##### (i) Holding Company

Blue Dart Express Limited {Effective from June 22, 2015}

##### (ii) Key Management Personnel

Ms. Tulsi Nowlakhia Mirchandaney

Managing Director

##### (iii) Entities under common control where transaction have taken place

Concorde Air Logistics Limited

DHL Express India Private Limited

European Air Transport, Leipzig GmbH

DHL Aviation (Netherlands) B.V.

DHL Logistics Private Limited

DHL Aviation EEMEA, Kingdom of Bahrain

DHL WorldWide Network NV/SA

##### (iv) Entities in which a Director is interested

Cargo Service Center India Private Limited

Delhi Cargo Service Center Private Limited

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>(B) TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR:</b>		
<b>NATURE OF TRANSACTIONS:</b>		
<b>(i) <u>With Blue Dart Express Limited</u></b>		
Express Air Charter Service Income	57.478	64,831
Interest charges incurred on Term Loan	1,121	1,738
Courier charges incurred	26	36
Unsecured Term Loan repaid during the year	3,208	6,943
<b>(ii) <u>With Key Management Personnel</u></b>		
Remuneration paid : Ms. Tulsi Nowlakha Mirchandaney	220	205
<b>(iii) <u>Entities under common control :</u></b>		
<b>a) <u>Concorde Air Logistics Limited:</u></b>		
Clearing and Forwarding charges	97	175
Agency charges incurred for customs clearing	12	19
<b>b) <u>With DHL Express India Private Limited</u></b>		
Business support services income	758	732
Other income	82	54
Courier charges incurred	156	229
Other Reimbursements	8	10
<b>c) <u>With European Air Transport, Leipzig GmbH</u></b>		
Aircraft spares /Repairs	12	26
<b>d) <u>With DHL Aviation (Netherlands) B.V.</u></b>		
Aircraft Dry Lease	5,964	6,822
<b>e) <u>With DHL Aviation EEMEA, Kingdom of Bahrain</u></b>		
Received towards Sale of Aircraft parts	38	65
Purchase of Aircraft parts (Payable)	0	12
<b>f) <u>With DHL Logistics Private Limited</u></b>		
Rental Income	31	39
Clearing and Forwarding charges	-	8
<b>g) <u>With Delhi Cargo Service Centre Pvt., Ltd.,</u></b>		
Interline Expenses	9	10
<b>h) <u>With Cargo Service Centre India Pvt., Ltd.,</u></b>		
Interline Expenses	15	5
<b>i) <u>With DHL WorldWide Network NV/SA</u></b>		
Payment towards Engineering & Maintenance ERP	277	-
<b>(C) RELATED PARTY BALANCES:</b>		
<b>(a) <u>Blue Dart Express Limited</u></b>		
Aircraft Payload Deposit	2,150	2,150
Account Receivable(net)	182	1,603
Outstanding Unsecured Term Loan	9,348	12,556
<b>(b) <u>DHL Express India Private Limited</u></b>		
Outstanding Security Deposit	1,248	1,398
Receivables towards Other income(net)	71	111
<b>(c) <u>DHL Logistics Private Limited</u></b>		
Outstanding Security Deposit	-	9

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>(d) DHL Aviation (Netherlands) B.V.</b>		
Payable towards Aircraft Dry Lease charges	1,825	978
Receivable towards capital expenditure on return of Aircraft	818	-
<b>(e) Concorde Air Logistics Limited</b>		
Payable	1	7
<b>(f) Cargo Service Center India Private Limited</b>		
Payable towards Interline	1	1
<b>(g) Delhi Cargo Service Center Private Limited</b>		
Payable towards Interline	1	1
<b>(h) European Air Transport, Leipzig GmbH</b>		
Payable towards Aircraft spares/Repairs	-	11

**(D) Corporate Guarantee provided by Blue Dart Express Limited on behalf of the Company and outstanding as at the year end amounts to Rs. 6,000 (Lacs) [Previous Period Rs.10,600 (Lacs)]**

**(E) As referred in Note 5, with respect to unsecured term loan of Rs 6,000 (lacs) taken from Barclays Bank Plc during the year 2013-14, for which the debt covenants are to be met by Blue Dart Express Limited.**

### 31. DUES TO MICRO AND SMALL ENTERPRISES

Particulars	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	15	5
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end	Nil	Nil
Principal amounts paid to suppliers registered under the 'MSMED Act beyond the appointed day during the period	Nil	Nil
Interest paid, other than under Section 16 of MSMED Act 'to suppliers registered under the MSMED Act beyond the appointed day during the period	Nil	Nil
Interest paid, under Section 16 of MSMED Act to suppliers 'registered under the MSMED Act beyond the appointed day during the period	Nil	Nil
Interest due and payable towards suppliers registered 'under MSMED Act for payments already made	Nil	Nil
Further interest remaining due and payable for earlier years	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises given in Note 9 - Trade Payables has been determined to the extent such parties have been identified on the basis of information available with the Company.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>32. CAPITAL AND OTHER COMMITMENTS</b>		
Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	183	305

### 33. DETAILS OF FOREIGN CURRENCY BALANCES NOT HEDGED:

Particulars	Foreign Currency Denomination	Foreign Currency Amount in ₹ Lacs	Foreign Currency Amount in ₹ Lacs
<b>Assets (Receivables)</b>			
Current Year	USD	-	-
Previous Year	USD	-	-
Current Year	EURO	11	818
Previous Year	EURO	-	-
<b>Liabilities (Payables)</b>			
Current Year	USD	19	1,250
Previous Year	USD	23	1,444
Current Year	EURO	17	1,285
Previous Year	EURO	8	528
Current Year	GBP	0	7
Previous Year	GBP	0	9

\*Amount is below the rounding off norm adopted by the Company

The foreign currency outstanding has been translated at the rates of exchange prevailing on the Balance Sheet date in accordance with Accounting Standard 11- 'The effects of Changes in Foreign Exchange Rates (Revised 2003)'.

34. During the year, the Company has repaid ₹ 3,208 lacs (Previous period ₹ 6,943 lacs which includes one time repayment ₹ 3,373 lacs over and above amortization of loan schedule) towards the unsecured interest bearing loan borrowed from Blue Dart Express Limited. As at March 31, 2016 the outstanding loan balance is ₹ 9,348 (lacs), [Previous period ₹ 12,556 (lacs)] of which ₹ 3,911 (lacs) [Previous period ₹ 3,208 (lacs)] is payable within 12 months of balance sheet date. In respect of the aforesaid loans which have been granted in tranches, the principal amount for one tranche is repayable over three years with the first year as moratorium and for the balance tranches, principal amount is repayable over seven years with the first two years as moratorium. Interest rate is linked to the average based rate of IDBI Bank and ICICI Bank subject to reset on bi-annually basis.

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>35. VALUE OF IMPORTS CALCULATED ON C I F BASIS</b>		
<b>Consumables:</b>		
Consumables and Loose Tools*	1,169	1,108
<b>Capital Good:</b>		
Aircraft Rotable Parts (Capital Goods)	518	1,335
Components and Overhaul	3,041	807
Computer Software	48	66
Office Equipment	32	-
Ground Handling Equipment	433	277
<b>Total</b>	<b>5,241</b>	<b>3,593</b>

\* The above information is disclosed on C & F basis since the Company has taken a global insurance policy for all stocks & it is not possible to allocate the same to individual purchases.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2016

### 36. EXPENDITURE IN FOREIGN CURRENCY

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Consultancy Services	0	38
Conference Expenses	10	-
Lease rental	6,640	6,822
Foreign travel	116	83
Repairs of Rotables, Aircraft parts and maintenance	908	1,082
Training	403	251
Engine Repair	-	248
Ferry Flight Expenses	-	32
Membership and Subscriptions	271	232
Navigation Expenses	17	1
<b>Total</b>	<b>8,365</b>	<b>8,789</b>

### 37. VALUE OF IMPORTED AND INDIGENOUS STORES AND SPARES CONSUMED

	%	As at March 31, 2016 in ₹ Lacs	%	As at March 31, 2015 in ₹ Lacs
Imported	76	884	77	815
Indigenous	24	281	23	240
<b>Total</b>	<b>100</b>	<b>1165</b>	<b>100</b>	<b>1055</b>

### 38. EARNINGS IN FOREIGN CURRENCY

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Capital Expenditure reimbursement	750	3,476
Other Reimbursement	16	13
Others	5	-
Flight Safety Training	4	2
Sales of Aircraft Parts	43	71
Overlap of Lease Rentals	30	-
<b>Total</b>	<b>848</b>	<b>3,562</b>

### 39. PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

The previous year's figures have been regrouped/ reclassified, wherever necessary to confirm to the current year's classification.

Signatures to Notes 1 to 39 form an integral part of the financial statements.

As per our report of even date.

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**Tushar K. Jani**  
Chairman  
DIN:192621

**Air Marshal M . McMahon (Retd.)**  
Director  
DIN:234293

Place: Mumbai  
Date: April 15, 2016

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN:1842520

**N. Palaniappan**  
Company Secretary &  
Sr. Manager-Finance

**Air Marshal Vijay Achyut Patkar (Retd.)**  
Director  
DIN:07037116

**P. Parameshwaran**  
Chief Financial Officer

## BOARD OF DIRECTORS

### CONCORDE AIR LOGISTICS LIMITED

#### BOARD OF DIRECTORS

Vaidhyanathan Iyer

Tushar Gunderia

Aneel Gambhir

#### PRINCIPAL BANKER

ICICI Bank Ltd.

#### AUDITORS

Price Waterhouse

#### REGISTERED OFFICE

17, Adarsh Industrial Estate,  
Sahar Road, Chakala,  
Andheri (East),  
Mumbai - 400 099  
CIN - U60230MH2004PLC146141



## DIRECTORS' REPORT

### To the Members

Your Directors have great pleasure in presenting Twelfth Annual Report of your Company for the financial year ended March 31, 2016.

### FINANCIAL RESULTS

	Year ended March 31, 2016	Year ended March 31, 2015
(₹ in lacs)		
<b>Revenues:</b>		
Services	180.63	307.20
Commission	355.87	57.92
Other Income	1.42	15.30
Less: Operating Expenses	421.17	323.74
Operating Profit (EBIDTA)	116.75	56.68
Less: Depreciation / Amortisation	5.13	6.15
Earnings before Tax	111.62	50.53
Less: Provision for income tax	35.69	15.79
Earnings after tax	75.93	34.74

### DIVIDEND

Your Directors wish to strengthen the financial position of the Company and as such, no dividend is recommended for the year under consideration.

### RESERVES

The Company has not transferred any amount to the reserves.

### INDUSTRY

Your Company is engaged in the business of clearing and forwarding of time sensitive air cargo packages.

Your Company is a registered Air Cargo Agent with the International Air Transport Association (IATA) and licensed Custom House Agent under the provisions of Customs Act, 1962.

Your Company is also engaged in the business of clearance of import cargo in addition to export cargo at Mumbai.

Your Company also has a valid break-bulk license to handle consolidated shipments.

### DIRECTORS

During the year under review, Mr. Dodda Basappa resigned as a Director with effect from November 30, 2015. Your Directors place on record their sincere appreciation for the valuable contribution of Mr. Dodda Basappa during his tenure as a Director of the Company.

Mr. Aneel Gambhir (DIN: 07321422) was appointed as an Additional Director with effect from November 30, 2015. Mr. Gambhir holds office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received a notice under the provisions of

Section 160 of the Companies Act, 2013 along with requisite deposit proposing appointment of Mr. Gambhir as a Director of the Company. The resolution seeking approval of shareholders for Mr. Gambhir's appointment has been incorporated in the Notice of forthcoming Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Tushar Gunderia (DIN : 00090321), Director, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

### NUMBER OF BOARD MEETINGS

The Board of Directors met 6 (six) times during the year ended March 31, 2016.

Name of Director	Attendance particulars
Mr. Vaidhyanathan Iyer	6
Mr. Tushar Gunderia	6
Mr. Dodda Basappa*	3
Mr. Aneel Gambhir**	2

\*Mr. Dodda Basappa resigned as a Director of the Company with effect from November 30, 2015.

\*\*Mr. Aneel Gambhir was appointed as an Additional Director of the Company with effect from November 30, 2015.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the Financial position of the Company which have occurred between the end of the Financial year of the Company to which the Financial Statements relate and date of the report.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Loans, guarantees or investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

### RELATED PARTY TRANSACTIONS

All Related Party Transactions which were entered into during the Financial Year were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with related party(s) as defined under Section 2(76) of the Companies Act, 2013 which may have a potential conflict with the interest of the Company at large.

Since all related party transactions entered into by the Company were in ordinary course of business and on arm's length basis, from AOC-2 is not applicable to the Company.

### INTERNAL FINANCIAL CONTROLS

Your Company has in place a sound internal control system to ensure that all assets are protected against loss from any unauthorised use. All transactions are recorded and reported correctly. The Company's internal control system is further supplemented by the internal audits carried out by an in-house internal audit team and a co-sourced audit

## DIRECTORS' REPORT

firm viz; KPMG. Well-established and robust internal audit processes, both at the business and corporate level, continuously monitor the adequacy and effectiveness of the internal control environment across Company and status of compliance with operating systems, internal policies and regulatory requirements. In addition to above, during the year, your Company engaged KPMG for review of the Internal control frame work and based on advice received from KPMG, Company has rolled out Risk Control Matrix for each of the processes.

### EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT 9 as per Section 92 (3) of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 are annexed herewith as an 'Annexure A'.

### DETAILS OF SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### RISK MANAGEMENT

Risk Management Policy of Blue Dart Express Limited, Holding Company, is applicable to Concorde Air Logistics Limited for identifying, assessing and managing their business risks in an efficient and cost effective manner; at the same time ensuring the effective monitoring and accurate reporting of these risks which are systematically addressed.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 (3) (c) of the Companies Act, 2013, your Directors confirms that;

- i. In the preparation of the Financial Statement, the applicable accounting standards have been followed and that no material departures have been made from the same;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### AUDITORS

The Statutory Auditors, M/s. Price Waterhouse, Chartered Accountants, (Firm Registration no. 301112E), retire at the ensuing Annual General Meeting and, being eligible, offer themselves for re-appointment. Your Company has received necessary certificate from them confirming

that, their re-appointment, if made, will be in accordance with the provisions of Section 139 of the Companies Act, 2013 and they satisfy the criteria provided under section 141 of the Companies Act, 2013.

The Board of Directors recommends re-appointment of M/s. Price Waterhouse, Chartered Accountants, (Firm Registration no. 301112E), as Statutory Auditors of the Company from the conclusion of Twelfth Annual General Meeting upto a conclusion of next Annual General Meeting, subject to necessary approval by the Shareholders of the Company at the ensuing Annual General Meeting.

The Auditors' Report for the financial year 2015-16, does not contain any qualification, reservation or adverse remarks.

### DEPOSIT

During the year under review, the Company has not accepted any deposits within the meaning of the provisions of Section 73 and/or 76 of the Companies Act, 2013 and rules made thereunder.

### EMPLOYEES

Your Directors hereby wish to place on record their appreciation on the efficient services rendered by Employees.

During the year under review, your Company did not have any employee falling under the provisions of Section 197 (12) of the Companies Act, 2013 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

### PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

The information pursuant of Section 134(3)(m) of the Companies Act, 2013 is as under

<b>A Conservation of Energy</b>	<b>: Not applicable</b>
<b>B Technology absorption</b>	<b>: Not applicable</b>
<b>C Foreign Exchange Earnings &amp; Outgo :</b>	
<b>Earnings</b>	<b>: Nil</b>
<b>Outgo</b>	<b>: Nil</b>
	<b>(previous Year : NIL)</b>

### ACKNOWLEDGEMENT

Your Directors express their deep sense of gratitude to customers, associates, banks, suppliers and government authorities for their continuous support during the year under review.

For and on behalf of the Board Directors

<b>Vaidhyanathan Iyer</b>	<b>Tushar Gunderia</b>	<b>Aneel Gambhir</b>
Director	Director	Director
DIN: 00090717	DIN: 00090321	DIN: 07321422

Mumbai,  
April 15, 2016

# ANNEXURES TO DIRECTORS' REPORT

## 'ANNEXURE A'

### EXTRACT OF ANNUAL RETURN

As on the financial year ended March 31, 2016

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT – 9

#### I. REGISTRATION AND OTHER DETAILS

i. CIN	:	U60230MH2004PLC146141
ii. Registration Date	:	May 7, 2004
iii. Name of the Company	:	Concorde Air Logistics Limited
iv. Category / Sub-Category of the Company	:	Company having Share Capital
v. Address of the Registered office and contact details	:	17, Adarsh Industrial Estate, Sahar Road, Andheri East, Chakala, Mumbai - 400099.
vi. Whether listed company Yes / No	:	No
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Not Applicable

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Custom House Agent. Clearing and forwarding Agent.	63090	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Blue Dart Express Limited	L61074MH1991PLC061074	Holding	100%	2(46)

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Company is wholly owned subsidiary of Blue Dart Express Limited

##### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2015)				No. of Shares held at the end of the year (as on March 31, 2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-

## ANNEXURES TO DIRECTORS' REPORT

d) Bodies Corp.	-	110000	110000	100%	-	110000	110000	100%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	110000	110000	100%	-	110000	110000	100%	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate									-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)									-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	-	110000	110000	100%	-	110000	110000	100%	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1) Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
1. Clearing Member	-	-	-	-	-	-	-	-	-
2. NRI	-	-	-	-	-	-	-	-	-
3. Foreign Portfolio Investor (Corporate)	-	-	-	-	-	-	-	-	-

## ANNEXURES TO DIRECTORS' REPORT

4. OCB	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	-	110000	110000	100%	-	110000	110000	100%	-

### ii) Shareholding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Blue Dart Express Ltd.	110000	100%	Nil	110000	100%	Nil	Nil

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.		No. of Shares held at the beginning of the year i.e. on the basis of Share Holding Pattern of March 31, 2015)		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	At the beginning of the year	110000	100%	110000	100%
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No change during the year			
3.	At the End of the year	110000	100%	110000	100%

Note – There is no change in the total shareholding between 01.04.2015 and 31.03.2016

### iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): N.A.

Sr. No.		Shareholding at the beginning of the year		Change in Shareholding (No. of Shares)		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the company	Increase	Deacrase	No. of Shares	% of total Shares of the company
1.	-	-	-	-	-	-	-
2.	-	-	-	-	-	-	-
3.	-	-	-	-	-	-	-

## ANNEXURES TO DIRECTORS' REPORT

4.	-	-	-	-	-	-	-
5.	-	-	-	-	-	-	-
6.	-	-	-	-	-	-	-
7.	-	-	-	-	-	-	-
8.	-	-	-	-	-	-	-
9.	-	-	-	-	-	-	-
10.	-	-	-	-	-	-	-

### (v) Shareholding of Directors and Key Managerial Personnel

Company is wholly owned subsidiary of Blue Dart Express Limited and Mr. V.N.Iyer, Mr. Tushar Gunderia and Mr. Aneel Gambhir holds 1 share each of the Company as nominee of Blue Dart Express Ltd.

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	Mr. V.N.Iyer (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%
2.	Mr. Tushar Gunderia (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%
3.	Mr. Aneel Gambhir (as nominee of Blue Dart Express Ltd.)				
	At the beginning of the year	1	0.01%	1	0.01%
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease	-	-	-	-
	At the End of the year	1	0.01%	1	0.01%



## ANNEXURES TO DIRECTORS' REPORT

### (v) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL
<b>Change in Indebtedness during the financial year</b>	NIL	NIL	NIL	NIL
• Addition				
• Reduction				
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	NIL	NIL	NIL	NIL

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager
		NA
1.	<b>Gross salary</b> a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	-
5.	Others, please specify	-
	<b>Total (A)</b>	-
	Ceiling as per the Act	-

## ANNEXURES TO DIRECTORS' REPORT

### B. Remuneration to other Directors: N.A.

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
(1)	Independent Directors				
	- Fee for attending board / committee meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
Total (1)		-	-	-	-
(2)	Non – Executive Directors & Non-Independent Directors				
	- Fee for attending board / committee meetings	-	-	-	-
	- Commission	-	-	-	-
	- Others, please specify	-	-	-	-
Total (2)		-	-	-	-
Total (1) + (2)		-	-	-	-

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD - N.A.

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
1.	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 d) Company contribution towards PF	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	-	-	-

## ANNEXURES TO DIRECTORS' REPORT

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/COURT]	Appeal made, if any (give Details)
<b>Company</b> Penalty Punishment Compounding	None				
<b>Directors</b> Penalty Punishment Compounding	None				
<b>Other officers in Default</b> Penalty Punishment Compounding	None				

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF CONCORDE AIR LOGISTICS LIMITED

### REPORT ON THE FINANCIAL STATEMENTS

1. We have audited the accompanying financial statements of Concorde Air Logistics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### OPINION

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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, 2016, and its profit and its cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

9. As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF CONCORDE AIR LOGISTICS LIMITED

10. 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.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
  - (i) The Company does not have any pending litigations as at March 31, 2016 which would impact its financial position.
  - (ii) The Company has long-term contracts as at March 31, 2016, for which there were no material foreseeable losses. The Company did not have any derivative contract as at March 31, 2016.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

Mumbai  
April 15, 2016

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Concorde Air Logistics Limited on the financial statements for the year ended March 31, 2016

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Concorde Air Logistics Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

2. 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 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 Act.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.
5. 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 system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of Concorde Air Logistics Limited on the financial statements for the year ended March 31, 2016

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

Mumbai  
April 15, 2016

## ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 9 of the Independent Auditors' Report of even date to the members of Concorde Air Logistics Limited on the financial statements as of and for the year ended March 31, 2016

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties, as disclosed in Note 9 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, cess and other material statutory dues, as applicable, with the appropriate authorities. As informed to us sales tax, duty of customs, duty of excise and value added tax are not applicable to the Company for the current year.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax and service-tax which have not been deposited on account of any dispute. As informed to us sales tax, duty of customs, duty of excise and value added tax are not applicable to the Company for the current year.
- viii. As the Company does not have any loans or borrowings from any financial institution or bank or Government, nor has it issued any debentures as at the balance sheet date, the provisions of Clause 3(viii) of the Order are not applicable to the Company.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable to the Company. There was no remuneration paid/ payable during the year to any directors, including managing director and whole-time director, and manager of the Company. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

Mumbai  
April 15, 2016

# CONCORDE AIR LOGISTICS LIMITED

## BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	1,100	1,100
Reserves and Surplus	4	41,131	33,538
		42,231	34,638
<b>NON-CURRENT LIABILITIES</b>			
Long-term Provisions	5	4,192	3,403
<b>CURRENT LIABILITIES</b>			
Trade Payables	6	-	-
Total outstanding dues of micro enterprises and small enterprises		43,678	32,192
Other Current Liabilities	7	22,415	7,214
Short-term Provisions	8	291	341
		66,384	39,747
<b>TOTAL</b>		<b>112,807</b>	<b>77,788</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
Tangible Assets	9	3,347	2,468
Intangible Assets	9	241	46
		3,588	2,514
Non-Current Investments	10	-	50
Deferred Tax Assets (Net)	11	1,456	1,105
Long-term Loans and Advances	12	91,619	66,261
Other Non-current Assets	13	460	449
		97,123	70,379
<b>CURRENT ASSETS</b>			
Current Investment	14	50	-
Trade Receivables	15	100	748
Cash and Bank Balances	16	9,145	6,194
Short-term Loans and Advances	17	6,362	467
Other Current Assets	18	27	-
		15,684	7,409
<b>TOTAL</b>		<b>112,807</b>	<b>77,788</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date.

**For Price Waterhouse**

Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**

Partner  
Membership No. 105869  
Place : Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**V. N. Iyer**

Director  
DIN : 00090717

**Tushar Gunderia**

Director  
DIN : 00090321

**Aneel Gambhir**

Director  
DIN : 07321422

Place : Mumbai  
Date: April 15, 2016

# CONCORDE AIR LOGISTICS LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
<b>REVENUE</b>			
Revenue from Operations	19	53,650	36,512
Other Income	20	142	1,530
<b>Total Revenue</b>		<b>53,792</b>	<b>38,042</b>
<b>EXPENSES</b>			
Freight, Handling and Servicing Costs	21	9,842	7,449
Employee Benefits Expense	22	26,283	21,408
Depreciation and Amortisation Expense	23	513	615
Other Expenses	24	5,992	3,517
<b>Total Expenses</b>		<b>42,630</b>	<b>32,989</b>
<b>PROFIT BEFORE TAX</b>		<b>11,162</b>	<b>5,053</b>
Tax expense :			
Current Tax		3,920	1,832
Deferred Tax		(351)	(253)
<b>PROFIT FOR THE YEAR</b>		<b>7,593</b>	<b>3,474</b>
<b>Earnings per Equity share [Refer note 25]</b>			
[Nominal value of share ₹ 10 each]			
Basic Earnings Per Share (in ₹)		69.02	31.58
Diluted Earnings Per Share (in ₹)		69.02	31.58

The accompanying notes are an integral part of these financial statements

As per our report of even date.

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869  
Place : Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**V. N. Iyer**                      **Tushar Gunderia**  
Director                          Director  
DIN : 00090717                DIN : 00090321

**Aneel Gambhir**  
Director  
DIN : 07321422

Place : Mumbai  
Date: April 15, 2016

# CONCORDE AIR LOGISTICS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
<b>A. Cash flows from Operating activities:</b>		
Profit before Tax	11,162	5,053
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	513	615
Interest Income	(38)	(47)
Dividend Income	(103)	(179)
(Profit)/loss on sale of fixed assets	-	(30)
Provision for Gratuity	559	598
Provision for Compensated Absences	180	316
<b>Operating profit before working capital changes</b>	<b>12,273</b>	<b>6,326</b>
<b>Adjustments for changes in working capital :</b>		
Decrease in Trade Receivable	648	8,884
Decrease / (Increase) in Loans and Advances / Other Assets	(5,896)	333
Increase in Trade and Other Payables / Other Liabilities	26,688	13,873
<b>Cash generated from Operations</b>	<b>33,713</b>	<b>29,416</b>
Taxes paid (Net of refunds)	(29,278)	(28,343)
<b>Net cash generated from Operating activities (A)</b>	<b>4,435</b>	<b>1,073</b>
<b>B. Cash flows (used in) Investing activities:</b>		
Purchase of Fixed Assets	(1,592)	(228)
Proceeds from sale of Fixed assets	5	37
Interest Received	82	7
Dividend Received	103	179
Investments in Mutual funds	(90,000)	(21,000)
Redemptions from mutual funds	90,000	21,000
Investments in Bank Fixed Deposits (Margin Money)	(82)	-
<b>Net cash (used in) / generated from Investing activities (B)</b>	<b>(1,484)</b>	<b>(5)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B)</b>	<b>2,951</b>	<b>1,068</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>6,194</b>	<b>5,126</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>9,145</b>	<b>6,194</b>
	<b>As at March 31, 2016 in ₹ ('000)</b>	<b>As at March 31, 2015 in ₹ ('000)</b>
<b>Cash and cash equivalents comprise of:</b>		
Cash on hand	21	83
Balance with Scheduled Banks on Current Accounts	9,124	6,111
	<b>9,145</b>	<b>6,194</b>

**Notes :**

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard on Cash Flow Statements (AS-3) as notified under the Companies Act, 1956 (the "Act") read with Section 133 of the Companies Act, 2013 and Rule 7 of the Companies Act, (Accounts) Rules 2014.
- Previous year's figures have been regrouped/reclassified wherever necessary to conform to the current year's classification (Refer note 30).

This is the Cash Flow Statement referred to in our report of even date

**For Price Waterhouse**

Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**

Partner  
Membership No. 105869  
Place : Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**V. N. Iyer**

Director  
DIN : 00090717

**Tushar Gunderia**

Director  
DIN : 00090321

**Aneel Gambhir**

Director  
DIN : 07321422

Place : Mumbai  
Date: April 15, 2016

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2016

#### 1 General Information

The Company is an International Air Cargo Agent with International Air Transport Association ('IATA') and engaged inter alia in the business of clearing and forwarding of time sensitive air cargo packages.

#### 2 Significant Accounting Policies

##### a. Basis of preparation of Financial Statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 2013. The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 1, 2016.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

##### b. Fixed Assets and Depreciation/Amortisation

###### Tangible Assets :

Tangible assets are stated at acquisition cost, net of accumulated depreciation.

Subsequent expenditure related to an item of fixed assets are added to its book value if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance.

###### Intangible Assets :

Intangible assets are stated at acquisition cost, net of accumulated amortisation. The Company capitalises all costs relating to development of internally generated software,

which are stated net of accumulated amortization.

Goodwill represents the excess of the value of the erstwhile partnership business as a whole over its net asset value as at the date of incorporation as a Company.

#### Depreciation

Depreciation on tangible assets is calculated on a straight-line basis as per the rates as prescribed under Schedule II of the Companies Act 2013, except in respect of the following assets where the estimated useful lives of the assets based on the technical evaluation, have not undergone a change on account of transition to the Companies Act 2013.

Description of Assets	Useful Life (in years)
-----------------------	---------------------------

Computers

6

Depreciation for assets purchased/sold during a year is proportionately charged. Individual assets costing upto ₹ 5,000 are depreciated over a period of one year from the date its put to use.

Computer software is amortised under straight line method over 6 years.

Goodwill is amortised over a period of 10 years using the straight-line method.

##### c. Impairment of Assets

The Company assesses at each reporting date whether there is any indication that an asset (tangible or intangible) may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) net selling price and its value in use. Where 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. Impairment losses are recognised in the Statement of Profit and Loss. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased and such reversal is recorded in the Statement of Profit and Loss.

##### d. Investments

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investment are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at cost or fair value whichever is lower. Non-Current investments are stated at cost. Provision for diminution in value is made, if necessary, to recognise a decline other than temporary in the value of non-current investments.



## SCHEDULES

### Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

#### e. Revenue Recognition

##### Service Charges:

Service charges for clearing and forwarding of shipments are recognised as income when shipments are manifested and represent amounts invoiced, net of service tax and all discounts and allowances.

##### Commission Income:

Commission is accrued when cargo is delivered to the custody of the airline and the master airway bill is issued.

##### Interest Income:

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

##### Dividend Income:

Dividend Income is recognised when the right to receive dividend is established.

#### f. Employee Benefits

##### Defined Contribution Plans

Contribution towards Provident Fund is made to the Regulatory Authorities. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

The Company also contributes to State plans, namely Employee's State Insurance Fund and Employee's Pension Scheme 1995, and has no further obligation beyond making its contribution.

Company's contributions to the above funds are charged to the Statement of Profit and Loss for the year for which the contributions are due for payment.

##### Defined Benefit Plans

##### Gratuity :

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

##### Compensated absences :

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the Balance sheet date are treated as short term employee benefits. The liability in respect of compensated absences of short term nature is not actuarially valued and is provided on an estimated basis.

#### g. Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rental payments are recognized as an expense in the Statement of Profit and Loss.

#### h. Current and Deferred Tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws during the relevant assessment year.

Deferred tax is recognised for all timing differences, subject to consideration of prudence, in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty (virtual certainty in respect of any carried forward losses) that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company reassesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

#### i. Provisions

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

## SCHEDULES

### Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

**j. Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 controls of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

**k. Cash and Cash Equivalents**

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with

banks, other short-term highly liquid investments with original maturities of three months or less.

**l. Use of Estimates**

The preparation of Financial Statements in accordance with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of Financial Statements and the reported amount of expenses of the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised in the accounting period in which such revision takes place.

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

### 3. Share Capital

Authorised

200,000 (Previous year : 200,000) equity shares of ₹ 10 each

Issued, Subscribed and Paid up

110,000 (Previous year : 110,000) equity shares of ₹ 10 each fully paid-up

**Total**

As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
2,000	2,000
1,100	1,100
<b>1,100</b>	<b>1,100</b>

#### a. Reconciliation of the number of shares

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount in ₹ ('000)	Number of shares	Amount in ₹ ('000)
Balance as at the beginning of the year	110,000	1,100	110,000	1,100
Additions/Deletions during the year	-	-	-	-
Balance as at the end of the year	<b>110,000</b>	<b>1,100</b>	<b>110,000</b>	<b>1,100</b>

#### b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

#### c. Shares held by holding company

Out of the above equity shares issued by the Company, shares held by the holding company:

Blue Dart Express Limited, the Holding Company and its nominees

110,000 (Previous Year: 110,000) equity shares of ₹ 10 each fully paid up

As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
1,100	1,100

#### d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

	As at March 31, 2016		As at March 31, 2015	
	No. of shares	% held as at	No. of shares	% held as at
Blue Dart Express Limited	<b>110,000</b>	<b>100</b>	110,000	100

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
<b>4 Reserves and Surplus</b>		
<b>Securities Premium Reserve</b>		
Balance as at the beginning of the year	13,500	13,500
Addition/utilisation during the year	-	-
<b>Balance as at the end of the year</b>	<b>13,500</b>	<b>13,500</b>
<b>General Reserve</b>		
Balance as at the beginning of the year	4,500	4,500
Add : Transferred from Surplus in Statement of Profit and Loss during the year	-	-
<b>Balance as at the end of the year</b>	<b>4,500</b>	<b>4,500</b>
<b>Surplus from the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	15,538	12,064
Add: Net Profit for the year	7,593	3,474
<b>Balance as at the end of the year</b>	<b>23,131</b>	<b>15,538</b>
<b>Total</b>	<b>41,131</b>	<b>33,538</b>
<b>5 Long term provision</b>		
Provision for Employee benefits:		
- Provision for Gratuity [Refer notes 2(f) and 22]	3,270	2,665
- Provision for Compensated Absences [Refer notes 2(f) and 22]	922	738
<b>Total</b>	<b>4,192</b>	<b>3,403</b>
<b>6 Trade Payables</b>		
Trade Payables (Refer note 28 for details of dues to micro and small enterprises)		
Total outstanding dues of micro enterprises and small enterprises and	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	43,678	32,192
<b>Total</b>	<b>43,678</b>	<b>32,192</b>
<b>7 Other current liabilities</b>		
Employee benefits payable	2,546	280
Statutory Dues (including Provident Fund, Employee State Insurance, Professional tax, Service Tax and Tax deducted at Source)	3,890	2,019
Payable to Blue Dart Express Limited	15,979	4,915
<b>Total</b>	<b>22,415</b>	<b>7,214</b>
<b>8 Short Term Provisions</b>		
Provision for Employee benefits:		
Provision for Gratuity [Refer notes 2(f) and 22]	52	98
Provision for Compensated Absences [Refer notes 2(f) and 22]	239	243
<b>Total</b>	<b>291</b>	<b>341</b>

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

### 9 Fixed Assets [Refer Notes 2(b), 2(c) and 23]

in ₹ ('000)

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2015	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Tangible Assets:</b>									
Buildings	2,022	-	-	2,022	2,018	-	-	2,018	4
Office Equipment	225	14	15	224	141	60	10	191	33
Electrical Equipment	827	-	-	827	237	86	-	323	504
Computers	834	8	-	842	526	70	-	596	246
Furniture and Fixtures	1,655	-	-	1,655	300	186	-	486	1,169
Vehicles	1,879	1,347	900	2,326	1,752	83	900	935	1,391
<b>Total Tangible Assets</b>	<b>7,442</b>	<b>1,369</b>	<b>915</b>	<b>7,896</b>	<b>4,974</b>	<b>485</b>	<b>910</b>	<b>4,549</b>	<b>3,347</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2015	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Intangible Assets:</b>									
Goodwill	14,900	-	-	14,900	14,900	-	-	14,900	-
Computer Software	96	223	-	319	50	28	-	78	241
<b>Total Intangible Assets</b>	<b>14,996</b>	<b>223</b>	<b>-</b>	<b>15,219</b>	<b>14,950</b>	<b>28</b>	<b>-</b>	<b>14,978</b>	<b>241</b>

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

### 9 Fixed Assets [Refer Notes 2(b), 2(c) and 23]

in ₹ ('000)

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Tangible Assets:</b>									
Buildings	2,022	-	-	2,022	2,018	-	-	2,018	4
Office Equipment	195	30	-	225	114	27	-	141	84
Electrical Equipment	764	63	-	827	176	61	-	237	590
Computers	826	135	127	834	573	79	126	526	308
Furniture and Fixtures	1,655	-	-	1,655	189	111	-	300	1,355
Vehicles	2,016	-	137	1,879	1,676	207	131	1,752	127
<b>Total Tangible Assets</b>	<b>7,478</b>	<b>228</b>	<b>264</b>	<b>7,442</b>	<b>4,746</b>	<b>485</b>	<b>257</b>	<b>4,974</b>	<b>2,468</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Intangible Assets:</b>									
Goodwill	14,900	-	-	14,900	14,781	119	-	14,900	-
Computer Software	96	-	-	96	39	11	-	50	46
<b>Total Intangible Assets</b>	<b>14,996</b>	<b>-</b>	<b>-</b>	<b>14,996</b>	<b>14,820</b>	<b>130</b>	<b>-</b>	<b>14,950</b>	<b>46</b>

During the year, the management reassessed the remaining useful life of assets as prescribed in Schedule II of the Companies Act, 2013, and has taken additional depreciation charge of ₹ 94 ('000) for the twelve months period ended March 31, 2015.

### 10 Non current Investments

[Refer note 2(d)]

In Government Securities - Unquoted National Saving Certificates  
(6 year NSCs - VIII issue)

[Given as security to the Custom Authorities]

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
	-	50
<b>Total</b>	<b>-</b>	<b>50</b>

### 11 Deferred Tax Assets (Net)

[Refer note 2(h)]

#### Deferred Tax Assets

Provision for Compensated Absences

Provision for Gratuity

Provision for Bonus

#### Deferred Tax Liability

Depreciation/Amortisation

	384	303
	1,098	854
	105	46
	<b>1,587</b>	<b>1,203</b>
	131	98
<b>Total</b>	<b>1,456</b>	<b>1,105</b>



## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)
<b>12 Long term loans and advances</b>		
(Unsecured, considered good)		
Deposits	25	25
Rental deposits	240	240
Advance income taxes [Net of provision for taxation ₹ 26,756 ('000)]	91,354	65,996
[Previous Year ₹ 22,836 ('000)]		
<b>Total</b>	<b>91,619</b>	<b>66,261</b>
<b>13 Other Non-Current Assets</b>		
Current bank balances held as Margin money deposit against Guarantees	438	356
Interest accrued but not due	22	93
<b>Total</b>	<b>460</b>	<b>449</b>
<b>14 Current Investments</b>		
[Refer note 2(d)]		
In Government Securities - Unquoted National Saving Certificates (6 year NSCs - VIII issue)	50	-
[Given as security to the Custom Authorities]		
<b>Total</b>	<b>50</b>	<b>-</b>
<b>15 Trade Receivables</b>		
(Unsecured, considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivables	100	748
<b>Total</b>	<b>100</b>	<b>748</b>
<b>16 Cash and Bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on Hand	21	83
Balance with banks :		
In current accounts	9,124	6,111
<b>Total</b>	<b>9,145</b>	<b>6,194</b>
<b>17 Short term loans and advances</b>		
(Unsecured, considered good)		
Prepaid Expenses	353	321
Rental Deposits	-	100
Advance recoverable in cash or kind :		
Advance to vendor	5,988	-
Balance with Government Authorities	-	30
Other advances	21	16
<b>Total</b>	<b>6,362</b>	<b>467</b>
<b>18 Other Current Asset</b>		
(Unsecured, considered good)		
Interest accrued but not due on NSC	27	-
<b>Total</b>	<b>27</b>	<b>-</b>
	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
<b>19 Revenue from Operations</b>		
Income from Service Charges [Refer note 2(e)]	18,063	30,720
Income from Commission [Refer note 2(e)]	35,587	5,792
<b>Total</b>	<b>53,650</b>	<b>36,512</b>

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
<b>20 Other Income</b>		
<b>[Refer note 2(e)]</b>		
Interest on		
- Fixed deposits	38	47
Dividend income	103	179
Profit on Sale of fixed assets	-	30
Liabilities no longer required written back	-	1,269
Miscellaneous Income	1	5
<b>Total</b>	<b>142</b>	<b>1,530</b>
<b>21 Freight, Handling and Servicing Costs</b>		
Handling and clearing charges	7,496	5,010
Domestic network operating costs	2,085	2,230
Printing, stationery and consumables	261	209
<b>Total</b>	<b>9,842</b>	<b>7,449</b>
<b>22 Employee Benefits Expense</b>		
Salaries, Wages, Bonus and Leave Encashment*	24,339	19,640
Contribution to Provident and other funds	1,685	1,577
Staff welfare expenses	259	191
<b>Total</b>	<b>26,283</b>	<b>21,408</b>

\* Including prior period item of Rs 1,585,000

The Company has classified the various employee benefits provided to employees as under

### I. Defined Contribution Plans

- a. Provident Fund
- b. State Defined Contribution Plans
  - i. Employers' Contribution to Employee's State Insurance
  - ii. Employers' Contribution to Employee's Pension Scheme 1995.

During the year the Company has recognised the following amounts in the Statement of Profit and Loss under "Contribution to provident and other funds" -

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
- Employers' Contribution to Provident Fund	389	391
- Employers' Contribution to Employee's State Insurance	168	107
- Employers' Contribution to Employee's Pension Scheme 1995	424	317

### II. Defined Benefit Plan

#### GRATUITY

Valuations in respect of gratuity have been carried out by an independent actuary, as at the Balance Sheet Date, based on the following assumptions.

	As at March 31, 2016	As at March 31, 2015
Discount Rate (per annum)	7.96%	8.03%
Rate of increase in Compensation levels (Refer note below)	6.75%	6.75%
Rate of Return on Plan Assets	Nil	Nil

The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 in ₹ ('000)			
<b>A) Changes in the Present Value of Obligation</b>					
Present Value of Obligation at the beginning of the year	2,763	2,165			
Interest Cost	222	202			
Past Service Cost	Nil	Nil			
Current Service Cost	228	171			
Curtailment Cost / (Credit)	Nil	Nil			
Settlement Cost / (Credit)	Nil	Nil			
Benefits Paid	(88)	(103)			
Actuarial loss / (gain) on obligations	197	328			
<b>Present Value of Obligation as at Year end</b>	<b>3,322</b>	<b>2,763</b>			
<b>B) Amount recognised in the Balance Sheet</b>					
Present Value of Obligation at the end of the year	(3,322)	(2,763)			
Fair Value of Plan Assets as at the end of the year	Nil	Nil			
<b>Unfunded net Liability recognised in the Balance Sheet</b>	<b>(3,322)</b>	<b>(2,763)</b>			
<b>Recognised under:</b>					
Long term provisions (Refer note 5)	3,270	2,665			
Short term provisions (Refer note 8)	52	98			
<b>C) Expenses recognised in the Statement of Profit and Loss</b>					
Current Service Cost	227	171			
Past Service Cost	Nil	Nil			
Interest Cost	222	202			
Expected Return on Plan Assets	Nil	Nil			
Curtailment Cost / (Credit)	Nil	Nil			
Settlement Cost / (Credit)	Nil	Nil			
Net actuarial (gain) / loss recognised in the year	197	328			
<b>Total Expenses recognised in the Statement of Profit and Loss</b>	<b>646</b>	<b>701</b>			
<b>(D) Net Asset/ (Liability) recognised in the Balance Sheet</b>					
	<b>Year ended March 31, 2016 in ₹ ('000)</b>	<b>Year ended March 31, 2015 in ₹ ('000)</b>	<b>Year ended March 31, 2014 in ₹ ('000)</b>	<b>15 months Period ended March 31, 2013 in ₹ ('000)</b>	<b>Year ended December 31, 2011 in ₹ ('000)</b>
Present Value of Obligation at the end of the year	3,322	2,763	2,165	1,979	1,691
Fair value of Plan Assets at the end of the year	Nil	Nil	Nil	Nil	Nil
Asset / (Liability) recognised in the Balance Sheet	(3,322)	(2,763)	(2,165)	(1,979)	(1,691)
<u>Experience Adjustments:</u>					
On Plan Liabilities (gain)/ loss	197	328	(148)	237	(43)
On Plan Assets gain/ (loss)	Nil	Nil	Nil	Nil	Nil

### III. COMPENSATED ABSENCES

The liabilities for Compensated Absences as at the year end were ₹ 1,161 ('000) [Previous Year ₹ 981 ('000)]. (Refer notes 5 and 8)

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 in ₹ ('000)
<b>23 Depreciation and Amortisation expense</b>		
Depreciation on Tangible assets	485	485
Amortisation on Intangible assets	28	130
<b>Total</b>	<b>513</b>	<b>615</b>
<b>24 Other Expenses</b>		
Legal & Professional charges	707	539
Payment to Auditors :		
- Statutory Audit fees	300	300
- Tax Audit fees	100	100
- Reimbursement of Expenses	18	9
Office expenses	303	277
Rent [Refer note 2(g)]	60	15
Electricity	263	254
Communication expenses	315	319
Rates and taxes*	2,133	50
Repairs and maintenance - others	132	138
Travelling and conveyance	1,265	1,186
Insurance	396	330
<b>Total</b>	<b>5,992</b>	<b>3,517</b>

\* includes ₹ 2,099 ('000) for service tax paid in respect of earlier years.

<b>25 Earnings Per Share (EPS)</b>	Year ended March 31, 2016	Year ended March 31, 2015
Profit for the year (in ₹ '000)	7,593	3,474
Weighted Average number of Equity shares (Nos.)	110,000	110,000
Basic and Diluted Earnings per share (in ₹)	69.02	31.58
Face value per Equity share (in ₹)	10	10

**26** The Company is primarily engaged in a single segment business, within the same geography of clearing and forwarding of time sensitive shipments within India and is governed by a similar set of risks and returns for all its services. Thus the segment revenue, segment result, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segments assets, the total amount of charge for depreciation and amortisation during the year are all as reflected in the financial statements for the year ended March 31, 2016 and as on that date.

### 27 Related Party Disclosures

#### (a) Enterprises where control exists

- |                                |                          |
|--------------------------------|--------------------------|
| (i) Blue Dart Express Limited  | Holding Company          |
| (ii) Deutsche Post AG, Germany | Ultimate Holding Company |

#### (b) Related party relationships where transactions have taken place during the Year

- |                                 |  |
|---------------------------------|--|
| (i) Blue Dart Express Limited   | Holding Company  |
| (ii) Blue Dart Aviation Limited | Enterprise over which Blue Dart Express Limited is able to exercise significant influence till June 21, 2015.<br>Fellow Subsidiary (w.e.f June 22, 2015) |

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ ('000)	Year ended March 31, 2015 ₹ ('000)
<b>(c) Transactions with related parties during the year :</b>		
(i) <u>With Holding Company</u>		
<b>Blue Dart Express Limited</b>		
Recoveries towards air freight, etc	(1,087,414)	(743,689)
(ii) <u>With Enterprises over which Blue Dart Express Limited is able to exercise significant influence.</u>		
<b>Blue Dart Aviation Limited</b>		
Reimbursement of expenses	(9,736)	(17,532)
Service Charges	(1,232)	(1,947)
<b>(d) Related party balances at the year:</b>		
(Payable) / Receivable from Holding Company		
<b>Blue Dart Express Limited</b>	(15,979)	(4,915)
<b>Blue Dart Aviation Limited</b>	100	740

### 28 DUES TO MICRO AND SMALL ENTERPRISES

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The Micro and Small Enterprises have been identified on the basis of the information available with the Company and has been relied upon by the Auditors.

### 29 LEASE DISCLOSURE

- a. The Company has entered into various non-cancellable operating lease agreements for official / residential premises for a period of two to five years. Future minimum rentals payable under non-cancellable operating leases are as follows:

	As at March 31, 2016 in ₹ ('000)	As at March 31, 2015 ₹ ('000)
Not later than one year	-	525
Later than one year and not later than five years	-	-
Later than five years	-	-
Charge for the year	-	-

- b. Company has entered into various cancellable leasing arrangements for motor cars and official/residential premises. The lease rentals for motor cars of ₹ 863('000) [Previous year ₹ 851('000)] has been included under the head "Employee Benefits Expense - Salaries, Bonus and Leave Encashment" under Note 22 forming part of the Statement of Profit and Loss. The lease rentals for residential premises ₹ 480('000) [Previous year ₹ 329('000)] has been included under the head "Employee Benefits Expense - Salaries, Bonus and Leave Encashment" under Note 22 forming part of the Statement of Profit and Loss. Lease rentals for official premises of ₹ 60 ('000) [ Previous year ₹ 15 ('000) ] has been included under the head "Other Expenses - Rent" under Note 24 forming part of the Statement of Profit and Loss.

## SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2016

### 30 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

Previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year's classification.

Signatures to Notes 1 to 30 form an integral part of the financial statements.

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As per our report of even date

**For Price Waterhouse**

Firm Registration Number: 301112E

Chartered Accountants

**Sumit Seth**

Partner

Membership No. 105869

Place : Mumbai

Date: April 15, 2016

For and on behalf of the Board of Directors

**V. N. Iyer**

Director

DIN : 00090717

**Tushar Gunderia**

Director

DIN : 00090321

**Aneel Gambhir**

Director

DIN : 07321422

Place : Mumbai

Date: April 15, 2016



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Blue Dart Express Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"); (Refer Note 40 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

### Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
6. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by 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 as at March 31, 2016, and its consolidated profit and its consolidated cash flows for the year ended on that date.

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

### Report on Other Legal and Regulatory Requirements

8. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law maintained by the Holding Company and its subsidiaries included in the Group including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and its subsidiaries.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company and its subsidiaries included in the Group including relevant records relating to the 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 Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and its subsidiaries, none of the directors of the Group companies is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiaries and the operating effectiveness of such controls, refer to our separate Report in Annexure A.
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The consolidated financial statements disclose the impact, if any, of pending litigations as at March 31, 2016 on the consolidated financial position of the Group – Refer Note 36 to the consolidated financial statements.
    - ii. The Holding Company and its subsidiaries had long term contracts as at March 31, 2016, for which there were no material foreseeable losses. The Holding Company had derivative contracts as at March 31, 2016, for which there were no material foreseeable losses. The subsidiaries did not have any derivative contract as at March 31, 2016.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2016. There were no amounts which were required to be transferred to Investor Education and Protection Fund by subsidiaries during the year ended March 31, 2016.

Place: Mumbai  
Date: April 15, 2016

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 8(f) of the Independent Auditors' Report of even date to the members of Blue Dart Express Limited on the consolidated financial statements as of and for the year ended March 31, 2016

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Blue Dart Express Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, as of that date.

### Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on 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 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 Act.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") issued by the ICAI and the Standards on Auditing specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 over financial reporting were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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.
5. 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 system over financial reporting.

### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 8(f) of the Independent Auditors' Report of even date to the members of Blue Dart Express Limited on the consolidated financial statements as of and for the year ended March 31, 2016

### Opinion

8. In our opinion, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

Place: Mumbai  
Date: April 15, 2016

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants

Sumit Seth  
Partner  
Membership Number: 105869

# BLUE DART EXPRESS LIMITED (CONSOLIDATED)

## BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	2,376	2,376
Reserves and Surplus	4	39,037	28,350
		41,413	30,726
<b>MINORITY INTEREST</b>	5	1,239	-
<b>NON-CURRENT LIABILITIES</b>			
Long-term Borrowings	6	39,219	33,219
Deferred Tax Liabilities (Net)	7	1,229	1,017
Other Long Term Liabilities	8	1,098	-
Long-term Provisions	9	1,761	1,484
		43,307	35,720
<b>CURRENT LIABILITIES</b>			
Trade Payables	10		
Total outstanding dues of micro enterprises and small enterprises		230	181
Total outstanding dues of creditors other than micro enterprises and small enterprises		17,070	12,621
Other Current Liabilities	11	20,399	12,735
Short-term Provisions	12	9,857	6,828
		47,556	32,365
<b>TOTAL</b>		<b>133,515</b>	<b>98,811</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Tangible Assets	13	39,567	17,050
Intangible Assets	13	10,874	4,514
Capital Work-in-Progress		375	486
Intangible Assets under development		1,772	2,054
		52,588	24,104
Non-Current Investments	14	-	2,648
Deferred Tax Assets (Net)	15	2,694	-
Long-term Loans and Advances	16	8,677	18,299
Other Non-Current Assets	17	119	62
		11,490	21,009
<b>CURRENT ASSETS</b>			
Inventories	18	2,110	395
Trade Receivables	19	31,837	29,098
Cash and Bank Balances	20	28,818	16,625
Short-term Loans and Advances	21	5,782	7,102
Other Current Assets	22	890	478
		69,437	53,698
<b>TOTAL</b>		<b>133,515</b>	<b>98,811</b>

The accompanying notes are an integral part of these financial statements.

As per our report of even date

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**Sharad Upasani**  
Chairman  
DIN:01739334

**Thomas Kipp**  
Director  
DIN:06921955

Place: Mumbai  
Date: April 15, 2016

**Anil Khanna**  
Managing Director  
DIN:01334483

**Narendra Sarda**  
Director  
DIN:03480129

**Malcolm Monteiro**  
Director  
DIN:00089757

**Yogesh Dhingra**  
Chief Financial Officer &  
Chief Operating Officer

**Surendra Sheth**  
Director  
DIN:00089981

**Tushar Gunderia**  
Company Secretary

# BLUE DART EXPRESS LIMITED (CONSOLIDATED)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>REVENUE</b>			
Revenue from Operations	23	256,454	227,215
Other Income	24	3,018	2,463
<b>Total Revenue</b>		<b>259,472</b>	<b>229,678</b>
<b>EXPENSES</b>			
Freight, Handling and Servicing Costs (Net)	25	137,334	151,798
Employee Benefits Expense	26	50,090	32,160
Finance Costs	27	3,553	1,121
Depreciation and Amortisation Expense	28	8,207	4,360
Other Expenses	29	30,856	20,833
<b>Total Expenses</b>		<b>230,040</b>	<b>210,272</b>
<b>PROFIT BEFORE TAX</b>		<b>29,432</b>	<b>19,406</b>
Tax Expense:			
Current Tax		10,460	7,262
Deferred Tax		(325)	(574)
<b>PROFIT AFTER TAXATION, BEFORE SHARE OF ASSOCIATE'S PROFIT AND MINORITY INTEREST</b>		<b>19,297</b>	<b>12,718</b>
Share of Associate's Profit		39	215
Minority Interest		(61)	-
<b>PROFIT AFTER SHARE OF ASSOCIATE'S PROFIT AND MINORITY INTEREST</b>		<b>19,275</b>	<b>12,933</b>
<b>Earnings Per Equity Share</b> [Refer note 30]			
[Nominal value of share ₹ 10 each] (Previous Year - ₹ 10)			
Basic Earnings Per Share (in ₹)		81.23	54.51
Diluted Earnings Per Share (in ₹)		81.23	54.51

The accompanying notes are an integral part of these financial statements.

As per our report of even date

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**Sharad Upasani**  
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Place: Mumbai  
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Chief Financial Officer &  
Chief Operating Officer

**Surendra Sheth**  
Director  
DIN:00089981

**Tushar Gunderia**  
Company Secretary



**BLUE DART EXPRESS LIMITED (CONSOLIDATED)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016**

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>A. Cash flows from Operating activities:</b>		
Profit before Taxation	29,432	19,406
<b>Adjustments for:</b>		
Depreciation and Amortisation Expense	8,207	4,360
Interest expense	3,553	1,121
Interest income	(585)	(1,780)
Dividend from mutual funds	(776)	(486)
Rotables/Components & overhaul written off	344	-
(Gain)/Loss on sale/scraping of fixed assets (Net)	61	8
Provision for slow moving inventory	134	-
(Loss) on account of Foreign exchange	(128)	(38)
Bad debts/advances written off	143	134
Liabilities no longer required written back	(131)	(5)
Provision for Compensated Absences	410	300
Provision for Gratuity	(259)	925
<b>Operating profit before working capital changes</b>	<b>40,405</b>	<b>23,945</b>
<b>Adjustments for changes in working capital:</b>		
(Increase) / Decrease in Inventories	(260)	(123)
(Increase) / Decrease in Trade Receivables	235	(2,522)
(Increase) / Decrease in Loans and advances	(2,137)	(1,397)
Increase in Trade payables and other current liabilities	7,322	2,988
<b>Cash generated from Operations</b>	<b>45,565</b>	<b>22,891</b>
Taxes paid (net of refunds)	(10,602)	(7,545)
<b>Net cash from Operating activities</b>	<b>34,963</b>	<b>15,346</b>
<b>B. Cash flows from Investing activities:</b>		
Purchase of fixed assets	(11,629)	(4,416)
Changes in capital work in progress	562	(1,568)
Proceeds from sale of fixed assets	436	11
Interest received/settled	553	1,745
Dividend from mutual funds	776	486
Investments in mutual funds	(305,191)	(270,593)
Redemptions from mutual funds	305,191	270,593
Investment in BDA	(5,368)	-
Loans repaid/settled by Associate	802	6,943
Investment in Bank fixed deposits (Maturity period more than 3 months)	(55)	(15)
<b>Net cash (used in) / from Investing activities</b>	<b>(13,923)</b>	<b>3,186</b>
<b>C. Cash flows used in Financing activities:</b>		
Proceeds from issue of Non Convertible Debentures	-	33,219
Bank overdraft facility (net)	309	-
Interest paid	(3,553)	(1,121)
Dividend paid	(4,746)	(36,778)
Dividend tax paid	(994)	(7,407)
Debenture issue expenses paid	-	(466)

# BLUE DART EXPRESS LIMITED (CONSOLIDATED)

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	Year ended March 31, 2016 in ₹ Lacs (8,984)	Year ended March 31, 2015 in ₹ Lacs (12,553)
<b>Net cash used in Financing activities</b>		
<b>Net change in Cash and Cash Equivalents</b>	<b>12,056</b>	<b>5,979</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>16,568</b>	<b>10,589</b>
<b>Add : Opening Cash balance of Subsidiary</b>	<b>109</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>28,733</b>	<b>16,568</b>
<b>Cash and Cash Equivalents:</b>		
Cash on hand	148	198
Cheques and Drafts on hand	1,016	1,064
Balances with banks:		
In current accounts	7,569	7,906
Deposits with maturity period less than 3 months	20,000	7,400
	<b>28,733</b>	<b>16,568</b>
<b>Other Bank balances:</b>		
On Unpaid dividend accounts	63	57
On Unpaid interest account	22	-
	<b>28,818</b>	<b>16,625</b>

### Notes:

- The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard on Cash Flow Statements (AS-3) as notified under the Companies Act, 1956 (the "Act") read with Section 133 of the Companies Act, 2013 and Rule 7 of the Companies Act, (Accounts) Rules 2014.
- Previous year's figures have been regrouped/reclassified wherever necessary to conform to the current year's classification (Refer note 44).

This is the Cash Flow Statement referred to in our report of even date.

As per our report of even date

**For Price Waterhouse**  
Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**  
Partner  
Membership No. 105869

Place: Mumbai  
Date: April 15, 2016

For and on behalf of the Board of Directors

**Sharad Upasani**  
Chairman  
DIN:01739334

**Thomas Kipp**  
Director  
DIN:06921955

Place: Mumbai  
Date: April 15, 2016

**Anil Khanna**  
Managing Director  
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**Yogesh Dhingra**  
Chief Financial Officer &  
Chief Operating Officer

**Surendra Sheth**  
Director  
DIN:00089981

**Tushar Gunderia**  
Company Secretary

## SCHEDULES

### Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

#### 1. General Information

Blue Dart Express Limited ('the Company') is engaged in the business of integrated air and ground transportation and distribution of time sensitive packages to various destinations, primarily within India. The Company is a public limited company and its equity shares and debentures are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

#### 2 Significant Accounting Policies

##### a. Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 2013.

The Ministry of Corporate Affairs (MCA) has notified the Companies (Accounting Standards) Amendment Rules, 2016 vide its notification dated March 30, 2016. The said notification read with Rule 3(2) of the Companies (Accounting Standards) Rules, 2006 is applicable to accounting period commencing on or after the date of notification i.e. April 1, 2016.

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) - "Consolidated Financial Statements" and Accounting Standard 23 (AS 23) - "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India and notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] of the Companies Act, 1956 and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the

purpose of current-non current classification of assets and liabilities.

##### Principles of consolidation:

The Consolidated Financial Statements relate to Blue Dart Express Limited ('the Company') and its subsidiaries (collectively referred to as 'the Group'). The Consolidated Financial Statements have been prepared using uniform accounting policies and on the following basis:

- (i) **Subsidiaries:** Subsidiaries are consolidated from the date on which control is transferred to the group and are not consolidated from the date that control ceases. The financial statements of the Company and its subsidiaries have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Intra-group balances, intra-group transactions and resulting unrealised profits have been eliminated.
- (ii) **Associate:** Investments in associate companies have been accounted for by using the equity method of accounting whereby the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee.
- (iii) The excess of the cost of the Parent's investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which such investments are made, is recognised as "Goodwill on Consolidation" being an asset in the Consolidated Financial Statements.

Refer note 40 for details of subsidiaries considered in the Consolidated Financial Statements.

##### b. Fixed Assets and Depreciation/Amortisation

###### Tangible Assets:

Tangible assets, other than freehold land, are stated at acquisition cost, net of accumulated depreciation.

Subsequent expenditure related to an item of fixed assets is added to its book value if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance.

Freehold land is stated at cost.

Capital work-in-progress represents fixed assets that are not yet ready for their intended use as at the balance sheet date.

Aircraft Components and Overhaul represent the cost of engines overhaul, components and modifications of

## SCHEDULES

### Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

airframes owned and contractually liable to be incurred by the Company. Such costs are depreciated/amortised on the basis of hours flown or the life cycle of the overhaul program, as applicable.

#### Intangible Assets:

Intangible assets are stated at acquisition cost net of accumulated amortisation. The Company capitalises identifiable costs relating to development of internally generated software and these costs are stated net off accumulated amortisation.

Goodwill represents the excess of the value of the erstwhile partnership business as a whole over its net asset value as at the date of incorporation as a Company.

Intangible Assets under development comprises cost relating to development of software that are not yet ready for their intended use as at the balance sheet date.

#### Depreciation/Amortisation

Depreciation on tangible assets is calculated on a straight-line basis as per the rates as prescribed under Schedule II of the Companies Act, 2013, except in respect of the following assets where the estimated useful lives of the assets, have not undergone a change on account of transition to the Companies Act, 2013.

Asset	Useful Life
Leasehold Improvements	Over period of lease
Aircraft Rotable Parts	10 years
Computers	3 to 6 years (Based on the technical evaluation)

Depreciation for assets purchased/sold during a year is proportionately charged. Individual assets costing upto ₹ 5,000 are depreciated over a period of one year from the date its put to use.

Computer software, other than internally generated, is amortised under straight line method over the estimated useful life of 6 years. Internally generated software is amortised using the straight-line method over a period of 10 years, based upon its estimated useful economic life.

The Company capitalises the cost of Type-Certification course of Pilots and Engineers, and amortises it using the straight-line method over a period of three to five years, being the estimated useful economic life based on the contractual terms with the Pilots and Engineers.

Goodwill is amortised over a period of 10 to 20 years using the straight-line method.

Goodwill on Consolidation is not amortised, but tested for impairment at each Balance Sheet Date.

#### c. Impairment of Assets

The Group assesses at each reporting date whether there is any indication that an asset (tangible or intangible) may be impaired. If any indication exists, 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) net selling price and its value in use. Where 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. Impairment losses are recognised in the Statement of Profit and Loss. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased and such reversal is recorded in the Statement of Profit and Loss.

#### d. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried at cost or fair value whichever is less. Non-current investments are stated at cost. Provision for diminution in value is made, if necessary, to recognise a decline, other than temporary, in the value of non-current investments.

#### e. Inventories

Inventories are stated at lower of cost and net realisable value.

Inventories of packing and stationery consumables are valued at cost arrived at using First-in First-out basis. Cost of inventories of other consumables and loose tools is calculated at purchase price and expenditure directly attributable to the acquisition of such inventories for bringing them to their present location using the specific identification method.

#### f. Revenue Recognition

##### Service Charges:

Service charges for transportation and for clearing and forwarding of shipments are recognised as income when shipments are manifested and represent amounts invoiced, net of service tax and all discounts and allowances.

##### Business Support Service Income:

Income from infrastructure sharing services is recognised, as and when such services are rendered, on the basis of an agreed mark-up on costs incurred, in accordance with the arrangements entered into or at the contracted rates,

## SCHEDULES

### Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

net of service tax.

#### **Commission Income:**

Commission is accrued when cargo is delivered to the custody of the airline and the master airway bill is issued.

#### **Interest Income:**

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

#### **Dividend Income:**

Dividend income is recognised when the right to receive the dividend is established.

### **g. Foreign Currency Transactions**

#### **Initial Recognition:**

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences on restatement and settlement of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Profit and Loss.

### **h. Employee Benefits**

#### **Defined Contribution Plans:**

Contribution towards Provident Fund for all employees are made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation is classified as a defined contribution scheme of the Group. Contribution due towards Superannuation Fund for eligible employees is made to an insurance company, and the Group has no further obligation beyond making this payment.

The Group contributes to State plans, namely Employee's State Insurance Fund and Employee's Pension Scheme 1995, and has no further obligation beyond making its contribution.

Group's contributions to the above funds are charged to the Statement of Profit and Loss for the year when the contributions are due for payment.

#### **Defined Benefit Plans:**

**Gratuity:** The Group provides for gratuity, under a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment

of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's basic salary and the tenure of employment. The Group's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### **Compensated absences**

- (i) Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the Balance Sheet date are treated as short term employee benefits. The liability in respect of compensated absences of short term nature is not actuarially valued and is provided on an estimated basis.
- (ii) Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of Balance Sheet date are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### **i. Leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease rental payments are recognized as an expense in the Statement of Profit and Loss.

### **j. Current and Deferred Tax**

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws during the relevant assessment year.

Deferred tax is recognised for all timing differences, subject to consideration of prudence, in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty (virtual certainty in respect of any carried forward losses and unabsorbed depreciation) that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Group reassesses unrecognised deferred tax assets, if any.

## SCHEDULES

### Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

#### k. Provisions

Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

#### l. Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, 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 a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Where there is a possible

obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### m. Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents include cash in hand, cheques in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

#### n. Borrowing costs

General and specific borrowing cost directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as expense in the Statement of Profit and Loss in the period in which they are incurred.

#### o. Use of Estimates

The preparation of Financial Statements in accordance with the generally accepted accounting principles requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of Financial Statements and the reported amount of expenses of the year. Actual results could differ from these estimates. Any revision to such accounting estimates is recognised in the accounting period in which such revision takes place.



## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

### 3. Share Capital

Authorised

40,000,000 equity shares (Previous Year : 40,000,000) of ₹ 10 each

Issued, Subscribed and Paid up

23,727,934 equity shares (Previous Year : 23,727,934) of ₹10 each fully paid-up

Add: Forfeited Shares

**Total**

As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
4,000	4,000
2,373	2,373
3	3
<b>2,376</b>	<b>2,376</b>

#### a. Reconciliation of the number of shares

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount (₹ in lacs)	Number of shares	Amount (₹ in lacs)
Balance as at the beginning of the year	23,727,934	2,373	23,727,934	2,373
Additions/Deletions during the year	-	-	-	-
Balance as at the end of the year	23,727,934	2,373	23,727,934	2,373

#### b. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

#### c. Shares held by holding company

Out of the above equity shares issued by the Company, shares held by the holding company:

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
DHL Express (Singapore) Pte. Limited, Singapore the Holding Company		
17,795,950 (Previous Year: 17,795,950) equity shares of ₹ 10 each fully paid up	1,780	1,780

#### d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2016		As at March 31, 2015	
	Number of shares	%	Number of shares	%
DHL Express (Singapore) Pte. Limited, Singapore	17,795,950	75.00%	17,795,950	75.00%
Derive Trading Private Limited (along with persons acting in concert)	1,268,696	5.35%	1,270,147	5.35%

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>4 RESERVES AND SURPLUS</b>		
<b>Securities Premium Reserve</b>		
Balance as at the beginning of the year	3,475	3,941
Utilisation during the year	-	466
<b>Balance as at the end of the year</b>	<b>3,475</b>	<b>3,475</b>
<b>General Reserve</b>		
Balance as at the beginning of the year	6,273	6,571
Less: Retrospective impact of depreciation as per Companies Act, 2013 as of April 1, 2014	-	298
<b>Balance as at the end of the year</b>	<b>6,273</b>	<b>6,273</b>
<b>Debenture Redemption Reserve</b>		
Balance as at the beginning of the year	972	-
Add: Transferred from Surplus in Statement of Profit and Loss during the year	2,333	972
	<b>3,305</b>	<b>972</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as at the beginning of the year	17,630	51,408
Add: Profit for the year	19,275	12,933
Less: Appropriations		
Interim Dividend	-	33,219
Proposed Dividend	7,118	4,746
Dividend Distribution Tax	1,470	7,774
Transfer to Debenture Redemption Reserve	2,333	972
<b>Balance as at the end of the year</b>	<b>25,984</b>	<b>17,630</b>
<b>Total</b>	<b>39,037</b>	<b>28,350</b>

During previous year, the Company had issued and allotted 166,095,538 nos. of Series I, 94,911,736 nos. of Series II and 71,183,802 nos. of Series III, Unsecured Redeemable Non-convertible Fully Paid Debentures of ₹ 10 each by way of Bonus, aggregating to ₹ 33,219 Lacs to its shareholders by appropriating the Surplus in the Statement of Profit and Loss through a Scheme of Arrangement (Scheme) approved by Hon'ble High Court of Mumbai and other relevant authorities.

The Company has also created a Debenture Redemption Reserve amounting to ₹ 3,305 Lacs (Previous Year - ₹ 972 Lacs) as per the requirements of the Act and in accordance with the clarifications given by the Ministry of Corporate Affairs.

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>5 MINORITY INTEREST</b>		
Minority Interest on the date of acquisition	1,178	-
Add: for the period	61	-
<b>Total</b>	<b>1,239</b>	<b>-</b>
<b>6 LONG-TERM BORROWINGS</b>		
<b>Unsecured Non Convertible Debentures</b> (Refer note a below)		
Unsecured Debentures (Series I)	16,610	16,610
Unsecured Debentures (Series II)	9,491	9,491
Unsecured Debentures (Series III)	7,118	7,118
<b>Unsecured Loan</b>		
Term Loan from Bank (Refer note b below)	6,000	-
<b>Total</b>	<b>39,219</b>	<b>33,219</b>

## SCHEDULES

### Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

Notes:

- a. All the above Debentures series (I, II and III) are issued on November 21, 2014 and the redemption period for the said series I, II and III is 36 months, 48 months and 60 months respectively from the date of allotment.  
The Company has accrued and paid interest on the said Debentures for the period from April 1, 2015 to March 31, 2016 aggregating to ₹ 3,113 Lacs.
- b. During the year 2013-14, the Company's subsidiary Blue Dart Aviation Limited had taken an unsecured term loan of Rs. 6,000 Lacs from Barclays Bank Plc and refinancing of existing financial indebtedness for meeting its capital expenditure obligations. The loan is repayable over a period of 60 months. Repayment of the loan is in equal quarterly instalments and commences from the 39th month (initial 38 months being the moratorium period). The loan carries interest at the rate of 9.7% per annum for the first 34 months, subject to reset after the end of the 34th month.

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>7 DEFERRED TAX LIABILITY (NET)</b>		
[Refer note 2(j)]		
<b>Deferred Tax Liability</b>		
Depreciation	2,079	1,985
Others	313	-
<b>Gross Deferred Tax Liability</b>	<b>2,392</b>	<b>1,985</b>
<b>Deferred Tax Asset</b>		
Provision for Compensated Absences	643	541
Provision for Bonus	253	88
Provision for Gratuity	231	339
Others	36	-
<b>Gross Deferred Tax Asset</b>	<b>1,163</b>	<b>968</b>
<b>Total</b>	<b>1,229</b>	<b>1,017</b>
<b>8 OTHER LONG TERM LIABILITIES</b>		
Deposit received from DHL Express (India) Private Limited, India	1,098	-
<b>Total</b>	<b>1,098</b>	<b>-</b>
<b>9 LONG-TERM PROVISIONS</b>		
Provision for Employee Benefits:		
Provision for Gratuity [Refer notes 2(h), 2(k) and 26]	33	249
Provision for Compensated Absences [Refer notes 2(h), 2(k) and 26]	1,728	1,235
<b>Total</b>	<b>1,761</b>	<b>1,484</b>
<b>10 TRADE PAYABLES</b>		
Trade Payables (Refer note 34 for details of dues to Micro and Small Enterprises)		
Total outstanding dues of micro enterprises and small enterprises	230	181
Total outstanding dues of creditors other than micro enterprises and small enterprises	17,070	12,621
<b>Total</b>	<b>17,300</b>	<b>12,802</b>

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>11 OTHER CURRENT LIABILITIES</b>		
Bank overdraft	309	-
Employee Benefits Payable	5,041	1,534
Unpaid Dividends (Refer note below)	63	57
Statutory Dues (including Provident Fund, Superannuation, Employees State Insurance and Tax Deducted at Source)	1,247	574
Trade Deposits	1,582	1,208
Payables towards 'Cash on Delivery' shipments (Refer note 20)	5,177	4,964
Unpaid Interest (Refer note below)	22	-
Other payables	6,958	4,398
Note: There are no amounts due for payment to the Investor Education and Protection Fund under Section 205(C) of the Companies Act, 1956 as at year end		
<b>Total</b>	<b>20,399</b>	<b>12,735</b>
<b>12 SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits:		
Provision for Gratuity [Refer notes 2(h), 2(k) and 26]	762	750
Provision for Compensated Absences [Refer notes 2(h), 2(k) and 26]	528	360
Other Provisions:		
Provision for Proposed Dividend on Equity Shares	7,118	4,746
Provision for Dividend Distribution Tax on Proposed Dividend on Equity Shares	1,449	972
<b>Total</b>	<b>9,857</b>	<b>6,828</b>

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

### 13. FIXED ASSETS

[Refer notes 2(b), 2(c), 28 and 35]

in ₹ Lacs

Description of Assets	GROSS BLOCK (At Cost)					DEPRECIATION					NET BLOCK
	Opening Balance as at April 1, 2015	Opening Balance of Subsidiary on date of acquisition (Refer note 41)	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	Opening Balance of Subsidiary on date of acquisition (Refer note 41)	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Tangible Assets:</b>											
Land - Freehold	3,963	-	-	-	3,963	-	-	-	-	-	3,963
Leasehold Improvements	-	5,551	-	-	5,551	-	2,226	224	1	2,449	3,102
Buildings	2,037	-	45	-	2,082	570	-	53	-	623	1,459
Office Equipment	2,332	450	1,061	223	3,620	1,136	291	362	125	1,664	1,956
Electrical Equipment	4,574	950	724	29	6,219	2,282	470	605	105	3,252	2,967
Computers	7,703	699	1,902	586	9,718	4,632	549	976	575	5,582	4,136
Furniture and Fixtures	7,107	1,815	1,427	421	9,928	3,339	988	964	419	4,872	5,056
Vehicles	358	562	14	175	759	228	470	58	162	594	165
Aircraft Rotable Parts	-	10,169	513	734	9,948	-	6,692	456	564	6,584	3,364
[Refer note (c) below]											
Aircraft Components and Overhaul [Refer Note (c) below]	-	14,610	3,041	1,349	16,302	-	7,705	2,497	1,185	9,017	7,285
Material Handling Equipment	876	7,280	1,289	398	9,047	212	2,972	496	391	3,289	5,758
Machinery and Equipment	1,230	-	62	10	1,282	731	-	204	9	926	356
<b>Total Tangible Assets</b>	<b>30,180</b>	<b>42,086</b>	<b>10,078</b>	<b>3,925</b>	<b>78,419</b>	<b>13,130</b>	<b>22,363</b>	<b>6,895</b>	<b>3,536</b>	<b>38,852</b>	<b>39,567</b>

Description of Assets	GROSS BLOCK (At Cost)					AMORTISATION					NET BLOCK
	Opening Balance as at April 1, 2015	Opening Balance of Subsidiary on date of acquisition (Refer note 41)	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Opening Balance as at April 1, 2015	Opening Balance of Subsidiary on date of acquisition (Refer note 41)	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2016	Closing Balance as at March 31, 2016
<b>Intangible Assets:</b>											
Goodwill	449	-	-	-	449	449	-	-	-	449	-
Goodwill on Consolidation	-	-	4,719	-	4,719	-	-	-	-	-	4,719
Internally Generated Software	2,397	-	-	-	2,397	694	-	240	-	934	1,463
Computer Software	5,649	1,184	1,366	246	7,953	2,838	648	841	244	4,083	3,870
Type Certification Course	-	1,138	364	121	1,381	-	439	231	111	559	822
<b>Total Intangible Assets</b>	<b>8,495</b>	<b>2,322</b>	<b>6,449</b>	<b>367</b>	<b>16,899</b>	<b>3,981</b>	<b>1,087</b>	<b>1,312</b>	<b>355</b>	<b>6,025</b>	<b>10,874</b>

#### Notes:

- As a prudent practice, Company has been depreciating full value of the assets, though the assets will have residual value and Companies Act, 2013, also allows upto 5% to be retained as a residual value.
- Deductions/Adjustments include reclassification from one category to another category of asset.
- Company has charged accelerated depreciation on certain aircraft components and overhaul and rotables parts which are unserviceable / retired from active use for operation and accordingly, depreciation charge for the current year is higher by ₹ 301 Lacs for 'Aircraft Rotables Parts'.

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

### 13. FIXED ASSETS

[Refer notes 2(b), 2(c), 28 and 35]

in ₹ Lacs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION					NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	Retrospective impact of depreciation as of April 1, 2014 [refer Note (a) below]	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Tangible Assets:</b>										
Land - Freehold	3,963	-	-	3,963	-	-	-	-	-	3,963
Buildings	2,033	4	-	2,037	518	-	52	-	570	1,467
Office Equipment	1,982	381	31	2,332	695	161	296	16	1,136	1,196
Electrical Equipment	4,252	358	36	4,574	1,686	100	525	29	2,282	2,292
Computers	6,628	1,205	130	7,703	4,009	-	755	132	4,632	3,071
Furniture and Fixtures	6,619	512	24	7,107	2,318	189	855	23	3,339	3,768
Vehicles	342	23	7	358	199	-	36	7	228	130
Aircraft Engines	1,087	-	1,087	-	1,087	-	-	1,087	-	-
Aircraft [Refer Note (b) below]	3,002	-	3,002	-	2,084	-	666	2,750	-	-
Aircraft Components and Overhaul [Refer Note (b) below]	2,052	-	2,052	-	1,831	-	127	1,958	-	-
D-Check on Aircraft [Refer Note (c) below]	1,146	-	1,146	-	1,146	-	-	1,146	-	-
Ground Handling Equipment	901	183	208	876	252	-	80	120	212	664
Machinery and Equipment	1,159	76	5	1,230	541	-	193	3	731	499
<b>Total Tangible Assets</b>	<b>35,166</b>	<b>2,742</b>	<b>7,728</b>	<b>30,180</b>	<b>16,366</b>	<b>450</b>	<b>3,585</b>	<b>7,271</b>	<b>13,130</b>	<b>17,050</b>

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION					NET BLOCK
	Opening Balance as at April 1, 2014	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Opening Balance as at April 1, 2014	Retrospective impact of depreciation as of April 1, 2014 [refer Note (a) below]	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2015	Closing Balance as at March 31, 2015
<b>Intangible Assets:</b>										
Goodwill	449	-	-	449	448	-	1	-	449	-
Internally Generated Software	2,397	-	-	2,397	454	-	240	-	694	1,703
Computer Software	4,362	1,287	0*	5,649	2,305	-	534	1	2,838	2,811
<b>Total Intangible Assets</b>	<b>7,208</b>	<b>1,287</b>	<b>-</b>	<b>8,495</b>	<b>3,207</b>	<b>-</b>	<b>775</b>	<b>1</b>	<b>3,981</b>	<b>4,514</b>

\* Amount is below the rounding off norm adopted by the Company

#### Notes:

- During the year, the management reassessed the remaining useful life of assets as prescribed in Schedule II of the Companies Act, 2013, and has taken additional depreciation charge of ₹ 942 Lacs for the twelve months period ended March 31, 2015 in addition to ₹ 298 Lacs (net of tax) adjusted to General Reserve being the carrying value of assets having a Nil revised remaining useful life as of April 1, 2014.
- During the year, the company has reassessed the useful life of the aircraft and has recorded accelerated depreciation charge amounting to ₹ 548 Lacs on the aircraft.
- As at March 31, 2015, the Company has decided to sell the Aircraft and it's components and accordingly it has been classified as "Held for Sale" under other Current Assets.
- As a prudent practice, Company has been depreciating full value of the assets, though the assets will have residual value and Companies Act, 2013, also allows upto 5% to be retained as a residual value.
- D-Check on Aircraft represents costs incurred towards heavy maintenance and mandatory checks carried out on Aircraft exclusively operated for the Company.
- Deductions/Adjustments include reclassification from one category to another category of asset.



## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>14 NON-CURRENT INVESTMENTS</b>		
Trade investments (valued at cost) [Refer note 2(d)]		
Unquoted equity investments		
Investment in Associate		
Equity shares (Previous Year - 11,760,000) of ₹10 each in Blue Dart Aviation Limited (Refer note 41)	-	1,831
Add: Group's share of Profit	-	817
<b>Total</b>	<b>-</b>	<b>2,648</b>
Aggregate amount of unquoted investments	-	2,648
Other Investments (valued at cost unless stated otherwise)		
In Government Securities - Unquoted		
National Saving Certificates (6 year NSCs - VIII issue) [Given as security to the Custom Authorities]	0*	0*
	<b>0*</b>	<b>0*</b>
* Amount is below the rounding off norm adopted by the Company		
<b>15 DEFERRED TAX ASSETS (NET)</b>		
[Refer note 2(j)]		
Deferred Tax Asset		
Provision for Compensated Absences	138	-
Provision for Bonus	67	-
Provision for Gratuity	44	-
Depreciation	2,132	-
Others	314	-
<b>Gross Deferred Tax Asset</b>	<b>2,695</b>	<b>-</b>
Deferred Tax Liability		
Depreciation	1	-
<b>Gross Deferred Tax Liability</b>	<b>1</b>	<b>-</b>
<b>Total</b>	<b>2,694</b>	<b>-</b>
<b>16 LONG-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated)		
Loan to Associate (Refer note 41)	-	9,348
Aircraft Payload Deposit to Associate	-	2,150
Advance income tax [net of provision for taxation ₹ 51,091 Lacs, Previous year ₹ 37,825 Lacs] [Refer note 2(j)]	2,273	1,617
Capital advances	363	452
Deposits	5,961	4,675
Other loans and advances:		
Prepaid expenses	80	57
<b>Total</b>	<b>8,677</b>	<b>18,299</b>
<b>17 OTHER NON-CURRENT ASSETS</b>		
Margin money deposit	35	33
Long term deposits with banks with maturity period more than 12 months	84	29
<b>Total</b>	<b>119</b>	<b>62</b>

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>18 INVENTORIES</b> [Refer note 2(e)]		
Packing and Stationery Consumables	518	395
Consumables (Refer note below)	1,313	-
Loose Tools	279	-
<b>Total</b>	<b>2,110</b>	<b>395</b>
Note: Net of provision for slow-moving items of ₹ 638 Lacs.		
<b>19 TRADE RECEIVABLES</b> [Refer note 33(F)(i)]		
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other receivables	31,837	29,098
<b>Total</b>	<b>31,837</b>	<b>29,098</b>
<b>20 CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents:</b>		
Cash on hand	148	198
Cheques and Drafts on hand	1,016	1,064
Balances with banks:		
In current accounts	7,569	7,906
Deposits with maturity period less than 3 months	20,000	7,400
	28,733	16,568
<b>Other Bank balances:</b>		
Unpaid dividend accounts	63	57
Unpaid interest	22	-
<b>Total</b>	<b>28,818</b>	<b>16,625</b>
Bank balances in current account includes ₹ 3,889 Lacs [Previous Year - ₹ 3,978 Lacs] being collections on 'Cash on Delivery' shipments held on behalf of customers. (Refer note 11)		
<b>21 SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good, unless otherwise stated)		
Loan to Associate (Refer note 41)	-	3,208
Other loans and advances:		
Prepaid expenses	1,659	967
Loan and advances to employees	81	40
Octroi Recoverable	1,447	869
Balances with Government Authorities	858	540
Others	1,737	1,478
<b>Total</b>	<b>5,782</b>	<b>7,102</b>
<b>22 OTHER CURRENT ASSETS</b>		
(Unsecured, considered good)		
Interest accrued on Deposits	72	40
Other receivables arising from Return of Aircraft	818	-
Assets held for disposal	-	438
<b>Total</b>	<b>890</b>	<b>478</b>

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>23 REVENUE FROM OPERATIONS</b>		
Service charges [Refer note 2(f)]	255,487	227,152
Other Operating income:		
Liability no longer required written back	131	5
Business support services [Refer note 2(f)]	572	-
Commission [Refer note 2(f)]	264	58
<b>Total</b>	<b>256,454</b>	<b>227,215</b>
<b>24 OTHER INCOME</b>		
Dividend from Mutual Funds	776	486
Interest on Loan to Associate [Refer note 2(f)]	317	1,738
Interest on deposits with banks [Refer note 2(f)]	144	42
Interest from others [Refer note 2(f)]	124	-
Net Gain on Foreign Currency Transactions and Translation	62	38
Sale of Spares	163	-
Capital Expenditure Reimbursement on return of aircraft	750	-
Miscellaneous income	682	159
<b>Total</b>	<b>3,018</b>	<b>2,463</b>
<b>25 FREIGHT, HANDLING AND SERVICING COSTS (Net)</b>		
Aircraft charter costs	15,245	64,831
Domestic network operating costs	60,097	52,551
International servicing charges	11,407	11,082
Commercial airlift charges	16,672	13,797
Handling and clearing charges	7,689	6,295
Printing, stationery and consumables	4,039	3,242
Aircraft Fuel	11,924	-
Aircraft Lease and Engine Lease Rentals	5,104	-
Navigation Charges	2,688	-
Engineering Maintenance Costs	462	-
Rotables/Components & Overhaul written off	344	-
Consumption of Stores and Spare Parts	1,165	-
Provision for slow-moving inventory	134	-
Aircraft Insurance	157	-
Interline Expenses	207	-
<b>Total</b>	<b>137,334</b>	<b>151,798</b>
<b>26 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Bonus and Leave Encashment	43,466	26,892
Contribution to Provident and other funds	2,058	1,629
Gratuity	1,043	981
Staff welfare expenses	3,523	2,658
<b>Total</b>	<b>50,090</b>	<b>32,160</b>

## SCHEDULES

### Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

The Company has classified the various employee benefits provided to employees as under:

#### I Defined Contribution Plans

- a. Superannuation Fund
- b. State Defined Contribution Plans
  - i. Employers' Contribution to Employee's State Insurance
  - ii. Employers' Contribution to Employee's Pension Scheme 1995

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss under "Contribution to Provident and other funds" -

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
- Employers' Contribution to Provident Fund	638	498
- Employers' Contribution to Superannuation Fund	87	78
- Employers' Contribution to Employee's State Insurance	348	352
- Employers' Contribution to Employee's Pension Scheme 1995	805	569

#### II Defined Benefit Plans

##### I. Gratuity:

Valuations in respect of Gratuity has been carried out by an independent actuary, as at the Balance Sheet Date, based on the following assumptions:

	As at March 31, 2016	As at March 31, 2015
Discount Rate (per annum)	7.97% / 8.03% / 7.96%	8.07% / 8.03%
Rate of increase in Compensation levels (refer note below)	7.25% / 6.75%	7.25% / 6.75%
Rate of Return on Plan Assets	7.97% / 7.96%	8.07%

Note : The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>A) Changes in the Present Value of Obligation</b>		
Present Value of Obligation at the beginning of the year	4,386	3,305
Present Value of Obligation of subsidiary acquired during the year	761	-
Interest Cost	398	307
Past Service Cost	NIL	NIL
Current Service Cost	402	264
Curtailment Cost/(Credit)	NIL	NIL
Settlement Cost/(Credit)	NIL	NIL
Benefits Paid	(319)	(186)
Actuarial Loss on obligations	651	696
Present Value of Obligation as at year end	6,279	4,386
<b>B) Changes in the Fair value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the year	3,386	3,231
Fair Value of Plan Assets of subsidiary acquired during the year	701	-
Expected Return on Plan Assets	315	300
Actuarial Gains / (Loss) on Plan Assets	93	(15)
Contributions	1,308	55
Benefits Paid	(319)	(185)
Fair Value of Plan Assets at year end	5,484	3,386

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

### C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Present Value of funded obligation as at the year end	6,279	4,386
Fair Value of Plan Assets as at the end of the year	5,484	3,386
Funded Status	795	(1,000)
Present Value of unfunded Obligation as at the year end	795	(1,000)
Unrecognised Actuarial (gains)/losses	NIL	NIL
Unfunded Net Liability recognised in Balance Sheet	795	(1,000)

### D) Amount recognised in the Balance Sheet

Present Value of Obligation at the end of the year	(6,279)	(4,386)
Fair Value of Plan Assets at year end	5,484	3,386
Liability recognised in the Balance Sheet	(795)	(1,000)

#### Recognised under:

Long term provisions (Refer note 9)	33	249
Short term provisions (Refer note 12)	762	750

### E) Expenses recognised in the Statement of Profit and Loss

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
Current Service Cost	402	264
Past Service Cost	NIL	NIL
Interest Cost	398	307
Expected Return on Plan Assets	(315)	(300)
Curtailment Cost/(Credit)	NIL	NIL
Settlement Cost/(Credit)	NIL	NIL
Net actuarial loss / (gain) recognised in the year	558	(710)
Total expenses recognised in the Statement of Profit and Loss	1,043	981

### F) Percentage of each category of Plan Assets to total Fair Value of Plan Assets

The Plan Assets are administered by Life Insurance Corporation of India ("LIC") as per Investment Pattern stipulated for Pension and Group Schemes Fund by Insurance Regulatory and Development Authority ('IRDA') regulations.

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

G) Expected gratuity contribution for the next year is aggregating ₹ 1,054 Lacs [Previous Year ₹ 749 Lacs].

### I. Net Asset/(Liability) recognised in Balance Sheet:

	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	15 Months Period ended March 31, 2013	Year ended December 31, 2011
	in ₹ Lacs				
a) Present Value of Obligation at the close of the year	(6,279)	(4,386)	(3,305)	(3,164)	(2,335)
b) Fair Value of Plan Assets at the close of the year	5,484	3,386	3,231	2,609	2,299
c) (Liability) / Asset recognised in the Balance Sheet	(795)	(1,000)	(74)	(555)	(36)
<b>Change in Define Benefit Obligation (DBO) during the year ended</b>					
d) Actuarial loss / (gain)	651	696	(227)	510	(65)
<b>Change in the Fair Value of Plan Assets during the year ended</b>					
e) Actuarial (loss) / gain	93	(15)	33	47	33
<b>Experience Adjustments</b>					
f) Experience Adjustment on plan liabilities (loss) / gain	560	132	238	(6)	149
g) Experience Adjustment on plan assets (loss) / gain	(93)	15	(33)	(47)	33

### II. Actuarial Assumptions:

	Year ended March 31, 2016	Year ended March 31, 2015	Year ended March 31, 2014	15 Months Period ended March 31, 2013	Year ended December 31, 2011
Discount Rate	7.97% / 8.03% / 7.96%	8.07% / 8.03%	9.31%	8.00%	9.25%
Expected Return on Plan Assets	7.97% / 7.96%	8.07%	9.31%	8.00%	7.75%
Salary Growth Rate	7.25% / 6.75%	7.25% / 6.75%	7.25% / 6.75%	7.25% / 6.75%	7.25% / 6.75%
Attrition Rate	1.00%	1.00%	1.00%	1.00%	1.00%

### III. Compensated Absences:

The liabilities for Compensated Absences as at year end were ₹ 2,258 Lacs [Previous Year ₹ 1,595 Lacs] (Refer note 9 and 12)



## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
<b>27 FINANCE COSTS</b>		
Interest on Term Loan	439	-
Interest on Bank Overdraft	1	4
Interest on Debentures	3,113	1,117
<b>Total</b>	<b>3,553</b>	<b>1,121</b>
<b>28 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation on Tangible assets	6,895	3,585
Amortisation on Intangible assets	1,312	775
<b>Total</b>	<b>8,207</b>	<b>4,360</b>
<b>29 OTHER EXPENSES</b>		
Rent [Refer note 2(i)]	13,604	9,063
Office expenses	3,268	2,471
Security expenses	2,676	2,030
Electricity	2,149	1,676
Repairs and maintenance - others	2,366	1,433
Communication expenses	1,062	890
Directors sitting fees	26	16
Legal and professional	989	728
Payment to Auditors		
As auditor:		
Statutory Audit fees	57	45
Tax Audit fees	11	7
Reimbursement of Expenses	5	7
Other Matters	52	35
Rates and taxes	850	637
Travelling and conveyance	800	351
Lease rentals [Refer note 2(i)]	301	252
Insurance	440	309
Sales promotion and advertising	253	302
Bad debts written off	143	134
Expenditure towards Corporate Social Responsibility activities (Refer note below)	304	398
Loss on sale/scrapping of fixed assets (Net)	24	8
Net Loss on Foreign Currency Transactions and Translation	74	-
Subscriptions charges	218	-
Miscellaneous expenses	1,184	41
<b>Total</b>	<b>30,856</b>	<b>20,833</b>
Note:- Expenditure on Corporate Social Responsibility Activities		
a) Gross amount required to be spent by the Company during the year	405	388
b) Amount spent during the year on (in cash):		
(i) Expenditure on Educational programmes	133	63
(ii) Expenditure on Health care programmes	27	10
(iii) Expenditure on promoting sports	23	21
(iv) Expenditure on accomodation for needy children	100	-
(v) Donation	-	243
(vi) Other CSR expenditures	21	61
<b>Total</b>	<b>304</b>	<b>398</b>

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>30 EARNINGS PER SHARE</b>		
Profit for the year	19,275	12,933
Weighted average number of shares (Nos.)	23,727,934	23,727,934
Basic and Diluted Earnings Per Share (In ₹)	81.23	54.51
Nominal value of shares outstanding (In ₹)	10	10

### 31 OPERATING LEASES [Refer note 2(i)]

- a. The Company has entered into various non-cancellable operating lease agreements for official/ residential premises for a period of two to ten years and for acquiring aircrafts and aircraft engines for a period of seven to twelve years. Future minimum rentals payable under non-cancellable operating leases are as follows:

	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
Not later than one year	8,918	2,510
Later than one year and not later than five years	26,678	3,384
Later than five years.	16,032	316
Charge for the year	7,739	3,410

- b. Company has entered into various cancellable leasing arrangements for motor cars, office equipments and for official/residential premises. The lease rentals for motor cars of ₹ 560 Lacs [Previous year - ₹ 436 Lacs] has been included under the head "Employee Benefits Expense - Salaries, Bonus and Leave Encashment" under note 26 forming part of the Statement of Profit and Loss. Lease rentals for office equipments of ₹ 301 Lacs [Previous year - ₹ 252 Lacs] has been included under the head "Other Expenses - Lease Rentals" under Note 29 forming part of the Statement of Profit and Loss and lease rentals for official and residential premises of ₹ 10,969 Lacs [Previous year - ₹ 5,653 Lacs] has been included under the head "Other Expenses - Rent" under Note 29 forming part of the Statement of Profit and Loss.

### 32 SEGMENT INFORMATION

The Company is primarily engaged in a single segment business, within the same geography of integrated air and ground transportation and distribution of time sensitive packages within India and is managed as one entity for its various service offerings and is governed by a similar set of risks and returns.

### 33 RELATED PARTY DISCLOSURES

#### (A) Names of related parties and related party relationship

##### (i) Enterprises where control exists

Ultimate Holding Company	Deutsche Post AG, Germany
Holding Company	DHL Express (Singapore) Pte. Limited, Singapore

##### (ii) Key Management Personnel

Managing Director	Anil Khanna - Blue Dart Express Limited
Managing Director	Tulsi Nowlakha Mirchandaney - Blue Dart Aviation Limited

#### (B) Related party relationships where transactions have taken place during the year

Holding Company	DHL Express (Singapore) Pte. Limited, Singapore
Fellow Subsidiary Company	DHL Express (India) Private Limited, India
Fellow Subsidiary Company	DHL Supply Chain India Private Limited, India
Fellow Subsidiary Company	DHL Logistics Private Limited, India
Fellow Subsidiary Company	European Air Transport, Leipzig GmbH
Fellow Subsidiary Company	DHL Aviation (Netherlands) B.V.
Fellow Subsidiary Company	DHL Aviation EEMEA, Kingdom of Bahrain
Fellow Subsidiary Company	DHL WorldWide Network NV/SA
Associate Company	Blue Dart Aviation Limited, India (up to June 21, 2015)

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

**(C) Entities in which a Director of a Subsidiary Company is interested**

Company	Cargo Service Center India Private Limited
Company	Delhi Cargo Service Center Private Limited

**(D) Key Management Personnel**

Anil Khanna	Managing Director - Blue Dart Express Limited
Tulsi Nowlakha Mirchandaney	Managing Director - Blue Dart Aviation Limited

**(E) Transactions with related parties during the year**

**(i) With Holding/Fellow Subsidiaries/Associate Company**

**DHL Express (Singapore) Pte. Limited, Singapore**

Dividend paid	3,559	27,583
Issue of Unsecured Non Convertible Debentures	-	(24,914)

**DHL Express (India) Private Limited, India**

International servicing cost	11,407	11,082
Domestic service charges income	(6,427)	(6,046)
Reimbursements of expenses	92	69
Business support services income	(654)	-
Other income	(63)	-
Courier charges incurred	129	-

**DHL Supply Chain India Private Limited, India**

Domestic service charges income	(2,619)	(2,820)
Deposit repaid	5	12
Reimbursements of expenses	450	-

**DHL Logistics Private Limited, India**

Domestic service charges income	(138)	(146)
Deposit repaid	-	2
Reimbursements of expenses	35	23
Rental Income	(17)	-

**European Air Transport, Leipzig GmbH**

Aircraft spares /Repairs	11	-
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**DHL Aviation (Netherlands) B.V.**

Aircraft Dry Lease	4,428	-
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**DHL Aviation EEMEA, Kingdom of Bahrain**

Received towards Sale of Aircraft parts	(38)	-
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**Delhi Cargo Service Centre Private Limited**

Interline Expenses	7	-
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**Cargo Service Centre India Private Limited**

Interline Expenses	13	-
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**DHL WorldWide Network NV/SA**

Payment towards Engineering & Maintenance ERP	277	-
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**Blue Dart Aviation Limited, India (Associate)**

Aircraft Charter Cost	15,144	64,831
Inter Corporate Loan settled/adjusted	(802)	(6,943)
Interest income on Loan	(317)	(1,738)

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	Year ended March 31, 2016 in ₹ Lacs	Year ended March 31, 2015 in ₹ Lacs
Domestic service charges income	(7)	(36)
Reimbursements towards air freight, etc	(15)	(175)
Recoveries towards Agency charges	(2)	(19)
<b>(ii) Corporate guarantees given on behalf of Blue Dart Aviation Limited, India (Associate)</b>	-	10,600
Note: For the external loan taken by the associate, the debt covenants will be met by the Company.		
<b>(iii) With Key Management Personnel</b>		
<b>Anil Khanna - Blue Dart Express Limited</b>		
Remuneration	396	295
<b>Tulsi Nowlakha Mirchandaney - Blue Dart Aviation Limited</b>		
Remuneration	220	-
	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>(F) Related party balances as at the year end</b>		
<b>(i) Receivable/(Payable) from/to Fellow Subsidiaries/Associate company</b>		
DHL Express (India) Private Limited, India (Net)	(1,366)	(1,333)
DHL Supply Chain India Private Limited, India (Net)	306	617
DHL Logistics Private Limited, India (Net)	38	31
DHL Aviation (Netherlands) B.V.	(1,006)	-
Cargo Service Center India Private Limited	(1)	-
Delhi Cargo Service Center Private Limited	(1)	-
Blue Dart Aviation Limited, India (Net)	-	13,100
<b>(ii) Payable to Key Management Personnel</b>		
Anil Khanna	140	75

### 34 DUES TO MICRO AND SMALL ENTERPRISES

Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	230	181
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2	2
Principal amounts paid to suppliers registered under the MSMED Act beyond the appointed day during the year	22	-
Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act for payments already made	0*	-
Further interest remaining due and payable for earlier years	2	2

\* Amount is below the rounding off norm adopted by the Company.

The above information regarding Micro, Small and Medium Enterprises given in note 10 - Trade Payables has been determined to the extent such parties have been identified on the basis of information available with the Company.

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

	As at March 31, 2016 in ₹	As at March 31, 2015 in ₹
<b>DETAILED BREAK-UP OF INTEREST IS AS FOLLOWS:</b>		
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	245,292	188,378
Interest due and payable towards suppliers registered under MSMED Act for payments already made	-	-
Further interest remaining due and payable for earlier years	188,378	150,102
Interest charge to Statement of Profit and Loss	56,914	38,276
	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>35 CAPITAL AND OTHER COMMITMENTS</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances ₹ 283 Lacs (Previous Year ₹ 452 Lacs)]	1,766	1,128
<b>36 CONTINGENT LIABILITIES [Refer note 2(i)]</b>		
Claims against the Company not acknowledged as debt		
(i) Penalty under Kerala Value Added Tax Act, 2003	-	909
(ii) Penalty under Maharashtra Municipal Corporation Act, 1949	-	29
(iii) Stamp Duty - Karnataka	Not ascertainable	Not ascertainable
In response to the notices received from Stamp Authorities of Bangalore, Mangalore and Mumbai for payment of stamp duty under the Karnataka Stamp Act, 1957, and Maharashtra Stamp Act, 1958, based on the legal counsel advise received, the Company has filed its reply with those authorities submitting that on various grounds, it does not consider an air waybill to be an 'acknowledgement' chargeable to stamp duty under the Schedule of the said Act.		
<b>37 REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS:</b>		
	Year ended March 31, 2016	Year ended March 31, 2015
Number of Non-resident shareholders	1	1
Number of Equity Shares held	17,795,950	17,795,950
Amount of dividend remitted (in ₹ Lacs)	3,559	2,669
Year to which dividend relates	April 1, 2014 to March 31, 2015	April 1, 2013 to March 31, 2014
<b>38 DISCLOSURES PURSUANT TO THE REGULATION 34(3) READ WITH PARA A OF SCHEDULE V TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015</b>		
	As at March 31, 2016 in ₹ Lacs	As at March 31, 2015 in ₹ Lacs
<b>(A) Loans and advances in the nature of loans to associate (Blue Dart Aviation Limited)</b>		
Balance as at the year end	-	12,556
Maximum amount outstanding at any time during the year	-	19,499
<b>(B) Investment by the loanee in the shares of the Company</b>		
The loanee has not made any investment in the shares of the Company.		

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

### 39 PARTICULARS OF UNHEDGED FOREIGN CURRENCY EXPOSURES AS AT THE REPORTING DATE

	As at March 31, 2016	As at March 31, 2015
Trade receivable (in USD)	USD 2 lacs/ ₹ 164 Lacs	USD 7 lacs / ₹ 538 Lacs
Trade receivable (in EURO)	Euro 11 Lacs/ ₹ 818 Lacs	-
Trade payable (in USD)	USD 19 lacs/ ₹ 1,279 Lacs	-
Trade payable (in EURO)	Euro 17 Lacs/ ₹ 1,285 Lacs	-
Trade payable (in GBP)	GBP 0.07 Lacs/ ₹ 7 Lacs	-

### 40 The subsidiaries (which along with Blue Dart Express Limited, the parent, constitute the Group) considered in the Consolidated Financial Statements are:

Name of the Subsidiary	Country of Incorporation	Proportion of ownership interest/voting power
		As at March 31, 2016
		As at March 31, 2015
Concorde Air Logistics Limited (with effect from May 11, 2004)	India	100%
Blue Dart Aviation Limited (Associate with effect from March 11, 2005 to June 21, 2015) (Subsidiary with effect from June 22, 2015)	India	74%
		49%

41 During the year, after receipt of approval from the Foreign Investment Promotion Board (FIPB), the Company acquired 6,000,000 Equity Shares of Blue Dart Aviation Limited (BDAL) (5,040,000 Equity Shares on June 22, 2015 and 960,000 Equity Shares on July 29, 2015) for a total consideration of ₹ 5,368 Lacs and thereby increased its shareholding in BDAL from 49% to 74%. Consequently, BDAL became a Subsidiary of the Company with effect from June 22, 2015 and has been consolidated on a line by line basis in these financial statement. The Company has 'put' and 'call' option arrangements in respect of the balance 26% equity shares of BDAL

### 42 DISCLOSURES REQUIRED BY SCHEDULE III OF THE COMPANIES ACT, 2013 BY WAY OF ADDITIONAL INFORMATION:

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount ₹ in Lacs	As % of consolidated profit	Amount ₹ in Lacs
Parent: Blue Dart Express Limited	61%	26,010	99%	18,988
Subsidiaries (Indian): Blue Dart Aviation Limited Concorde Air Logistics Limited	35% 1%	14,981 422	1% 0%	111 76
Associate (Indian): Blue Dart Aviation Limited	-	-	0%	39
Minority Interest in Subsidiaries	3%	1,239	0%	61
<b>Total</b>	<b>100%</b>	<b>42,652</b>	<b>100%</b>	<b>19,275</b>

In view of the acquisition of additional equity shares by BDEL in BDAL as referred to in note 41 above, the current year's figures are not comparable with the corresponding previous year's figures.



## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

43 The effect of acquisition of subsidiary on the financial position and results as included in the consolidated financial statements as at and for the year ended March 31, 2016 are given below:

Particular	Acquisition (in ₹ Lacs)
<b>EQUITY AND LIABILITIES</b>	
Share Capital	-
Reserves and Surplus	170
Minority Interest	1,239
Long-Term Borrowings	6,000
Other Long Term Liabilities	1,098
Long-Term Provisions	275
Trade Payables	2,681
Other Current Liabilities	2,300
Short-Term Provisions	205
<b>Total</b>	<b>13,968</b>
<b>ASSETS</b>	
Fixed Assets	25,845
Non-Current Investments	(8,054)
Deferred Tax Assets (Net)	2,679
Long-Term Loans and Advances	(6,020)
Other Non-Current Assets	1
Inventories	1,592
Trade Receivables	98
Cash and Bank Balances	22
Short-Term Loans and Advances	(3,013)
Other Current Assets	818
<b>Total</b>	<b>13,968</b>
<b>Particular</b>	<b>Acquisition (in ₹ Lacs)</b>
<b>REVENUE</b>	
Revenue from Operations	623
Other Income	187
<b>Total</b>	<b>810</b>
<b>EXPENSES</b>	
Freight, Handling and Servicing Costs (Net)	(19,729)
Employee Benefits Expense	10,063
Finance Costs	439
Depreciation and Amortisation Expense	4,232
Other Expenses	5,369
<b>Total</b>	<b>374</b>
<b>PROFIT BEFORE TAX</b>	<b>436</b>

## SCHEDULES

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2016

### 44 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

Previous year's figures have been regrouped/ reclassified, wherever necessary to conform to the current year's classification.

Signatures to Notes 1 to 44 form an integral part of the financial statements.

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As per our report of even date

**For Price Waterhouse**

Firm Registration Number: 301112E  
Chartered Accountants

**Sumit Seth**

Partner  
Membership No. 105869

Place: Mumbai

Date: April 15, 2016

For and on behalf of the Board of Directors

**Sharad Upasani**

Chairman  
DIN:01739334

**Thomas Kipp**

Director  
DIN:06921955

Place: Mumbai

Date: April 15, 2016

**Anil Khanna**

Managing Director  
DIN:01334483

**Narendra Sarda**

Director  
DIN:03480129

**Malcolm Monteiro**

Director  
DIN:00089757

**Yogesh Dhingra**

Chief Financial Officer &  
Chief Operating Officer

**Surendra Sheth**

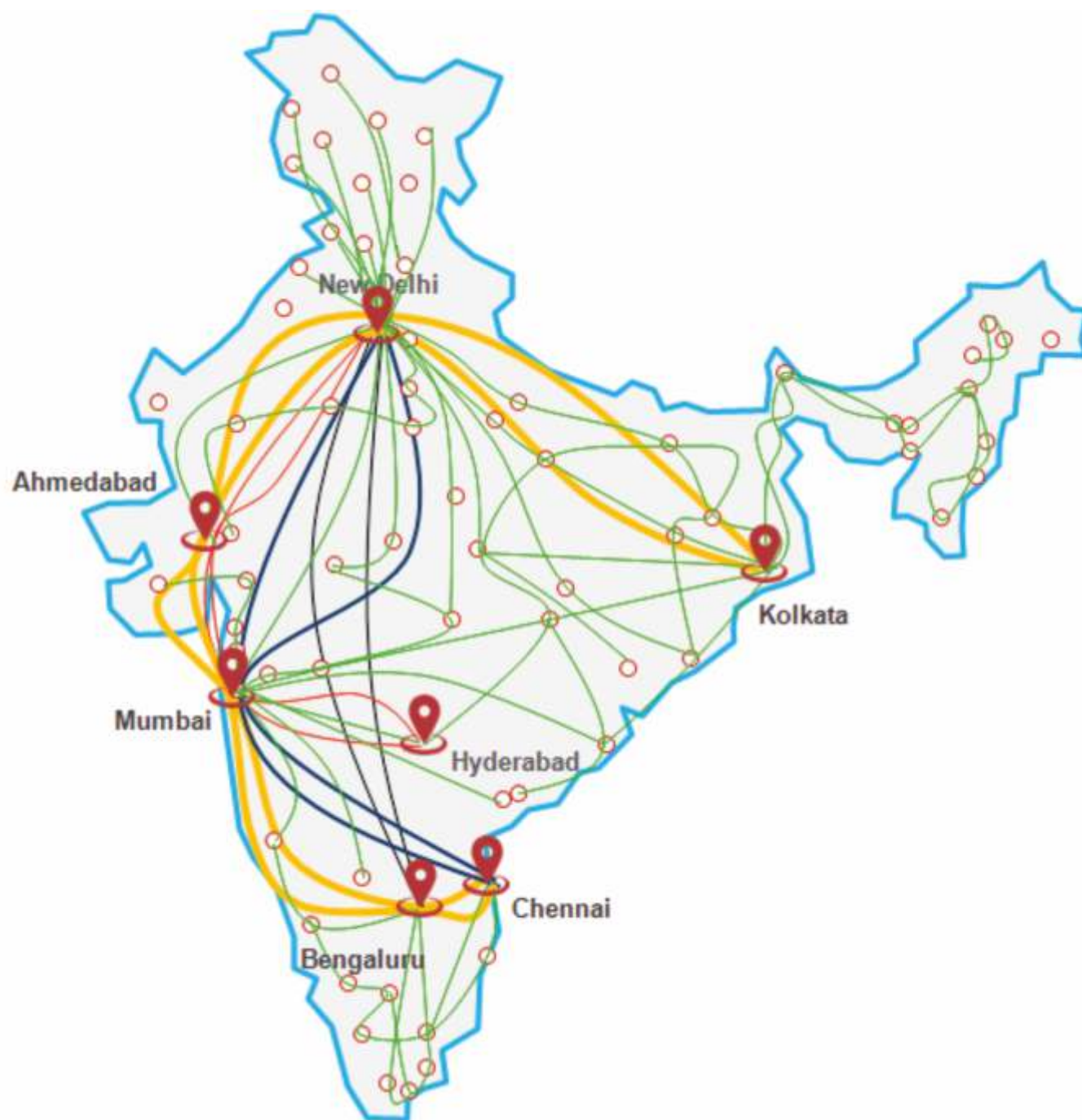
Director  
DIN:00089981

**Tushar Gunderia**

Company Secretary

[illegible]

# OUR UNIQUE & UNPARALLELED NETWORK IN BLUE DART COUNTRY



\* MAP NOT TO SCALE. ONLY FOR REPRESENTATIONAL PURPOSE.

## Corporate Information

### Registered Office:

Blue Dart Centre, Sahar Airport Road,  
Andheri (E), Mumbai - 400 099.  
Tel: +91 22 2839 6444  
Fax: +91 22 2824 4131, 2831 1184  
CIN: L61074MH1991PLC061074  
[www.bluedart.com](http://www.bluedart.com)  
[communications@bluedart.com](mailto:communications@bluedart.com)

### Principal Bankers:

Canara Bank  
Citibank N.A.  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
IDBI Bank Ltd.  
Standard Chartered Bank  
Yes Bank Ltd.

### Statutory Auditors:

Price Waterhouse

### Internal Auditors:

KPMG  
(co-sourced with Company's Internal Audit Team)

### Solicitors:

Mulla & Mulla & Craigie Blunt & Caroe  
DSK Legal

### Registrar & Transfer Agent:

Link Intime India Pvt. Ltd.



Corporate Office: Blue Dart Express Limited, Blue Dart Centre, Sahar Airport Road, Andheri (East),  
Mumbai - 400 099. India. Tel: (022) 2839 6444 | Fax: (022) 2824 4131 | [www.bluedart.com](http://www.bluedart.com)



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# BLUE DART

## EXPRESS LIMITED

### NOTICE

**NOTICE** is hereby given that Twenty Fifth Annual General Meeting of Blue Dart Express Ltd. will be held on Thursday, July 28, 2016 at 4.30 p.m. at Chancellor I, Hotel Hilton Mumbai International Airport, Sahar Airport Road, Andheri (E), Mumbai 400 099, to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt
  - a) the Audited Financial Statements of the Company for the financial year ended March 31, 2016, the reports of the Board of Directors and Auditors thereon; and
  - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2016, together with the Report of the Auditors thereon.
2. To declare a Dividend on Equity Shares for the financial year ended March 31, 2016.
3. To appoint a Director in place of Mr. Malcolm Monteiro (DIN: 00089757) who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors and fix their remuneration.

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Price Waterhouse, Chartered Accountants, (Firm Registration Number 301112E), be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of the Twenty Fifth Annual General Meeting until the conclusion of next Annual General Meeting at a remuneration to be decided mutually between the said Statutory Auditors and Board of Directors."

#### SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** in partial modification of earlier Resolution passed at the Twenty Fourth Annual General Meeting of the Company held on July 29, 2015 and pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder

(including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the Companies Act, 2013 and in terms of recommendations of the 'Nomination & Remuneration Committee' and as approved by the Board of Directors, approval of Members of the Company be and is hereby accorded to revise remuneration of Mr. Anil Khanna (DIN 01334483) Managing Director as detailed hereunder:

- a) entitled to LTI of a maximum of 20% of Total Direct Compensation payable to him, for each year, based on targets set for each Calendar year. The performance period starts on January 1, 2016 and ends on December 31, 2019 (four years) and LTI will be paid after 4 years based on achievement of targets set (viz; EBIT, market share growth) as decided by the Board of Directors from time to time.
- b) revision in remuneration terms for the period from April 1, 2016 to March 31, 2017 as set out in the Supplementary Agreement ("the Agreement") to be entered into between the Company and Mr. Anil Khanna, Managing Director, the draft whereof is placed before this meeting and for the purpose of identification, initialled by the Chairman, which Agreement is hereby specifically sanctioned with the liberty to the Board of Directors to alter and vary the terms and conditions of the said Agreement as may be agreed to between the Board of Directors and the Managing Director.

**RESOLVED FURTHER THAT** notwithstanding anything contained hereinabove, where, during the term of employment of the Managing Director, if in any financial year, the Company has no profits or its profits are inadequate, unless otherwise approved by any Statutory Authority, as may be required, the remuneration payable to the Managing Director including salary, perquisites and any other allowances shall be governed and be subject to the conditions and ceiling provided under the provisions of Schedule V of Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to take all necessary steps for the aforesaid purpose and matters incidental thereto."

6. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

To Approve Material Related Party transaction under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:



**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time and also pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or amendment(s) thereto or enactment(s) or substitution(s) thereof for the time being in force and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed in their respective meetings, consent of the members be and is hereby accorded to continue with the existing transactions with Blue Dart Aviation Ltd. (BDAL) (a Subsidiary Company) as per details provided herein below:

Sr. No.	Nature of Transactions	Amount as on March 31, 2016 ₹ In Lacs	Amount as on March 31, 2015 ₹ In Lacs
1.	Loans	₹ 9,348	₹ 12,556
2.	Corporate Guarantees	₹ 6,000	₹ 4,868
3.	Payload Deposit	₹ 2,150	₹ 2,150

**RESOLVED FURTHER THAT** consent of the members is also granted for availing of services from Blue Dart Aviation Ltd. as contained in the Aircraft, Crew, Maintenance and Insurance (ACMI) Agreement to be renewed with effect from October 1, 2016 to September 30, 2017 as per details provided herein below:

1. Estimated Value of Transaction from October 1, 2016 to March 31, 2017 – ₹ 40,000 Lacs
2. Estimated Value of Transaction from April 1, 2017 to September 30, 2017 – ₹ 45,000 Lacs

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and to execute all such documents, instruments and writings as may be considered necessary, relevant, usual, customary and / or expedient to give effect to the aforesaid Resolution, in the best interest of the Company.”

7. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT**, pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (‘the Rules’) including any statutory modification(s) or amendment(s) thereto or re-enactment or substitution thereof for the time being in force and in pursuance of Regulation 17(1)(6)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Articles of Association of the Company and pursuant to approval of the Board, approval of the Members of

the Company be and is hereby accorded that the Non-Executive Directors of the Company, in addition to sitting fees being paid to them for attending the meetings of the Board and its Committees, be paid every year for a period of five years with effect from August 1, 2016, commission of an amount as may be determined by the Board from time to time and as may be permitted by law, subject to a ceiling of 1% (one percent) of the net profits of the Company for each financial year (computed in the manner specified in Section 198 of the Act read with the rules made thereunder), to be distributed amongst such Directors in such a manner as the Board of Directors may from time to time determine and deem fit.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and are hereby authorised severally to do all acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

Mumbai,  
April 15, 2016

By Order of the Board  
sd/-  
**Tushar Gunderia**  
Company Secretary

Regd. Office:  
Blue Dart Centre,  
Sahar Airport Road,  
Andheri (East),  
Mumbai – 400 099.  
Tel : 28396444 | Fax : 28244131  
CIN: L61074MH1991PLC061074  
www.bluedart.com  
communications@bluedart.com

## NOTES:

**1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF /HERSELF AND PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.**

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.

3. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business as set out in Item no. 5 to Item no. 7 and relevant details in respect of Item no. 3 pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting (SS - 2) are annexed hereto.

4. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, July 21, 2016 to Thursday, July 28, 2016 (both days inclusive) for the purpose of determining eligibility of members entitled to dividend.

5. Dividend as may be declared shall be payable to Members of the Company whose names appear:

(a) as Beneficial Owners as at the close of the business hours on Wednesday, July 20, 2016 as per the details to be furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited in respect of shares held in electronic form; and

(b) as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company on or before Wednesday, July 20, 2016. Transfer Documents received after Wednesday, July 20, 2016 will not be considered for the aforesaid purposes.

6. The Company has transferred unclaimed dividend declared for the Financial Years 1995-96, 1996-97, 1998-99, 1999-2000 (interim and final dividend), 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005 December 2006 and December 2007 to "The Investors Education and Protection Fund" (IEPF) established by

the Central Government. The unclaimed dividend for the year December 2008 would be transferred to IEPF by May, 2016.

7. All members who have either not received or have not yet encashed their dividend warrant(s) for the financial year December 2009 till the period ended March 31, 2015 and Interim Dividend for the financial year ended March 31, 2014, are requested to write to the Company's Registrar and Share Transfer Agent at the address mentioned below for obtaining duplicate dividend warrant without any further delay.

8. Members are requested to furnish their Bank Account details, change of address, e-mail address etc. to the Company's Registrar and Share Transfer Agent viz; Link Intime India Pvt. Ltd. at the address mentioned below, in respect of shares held in the physical form and to their respective Depository Participants, if shares are held in electronic form.

9. Members desirous of getting any information about accounts of the Company are requested to send their queries at the Registered Office of the Company at least 10 days prior to the date of meeting so that the requisite information can be readily made available at the meeting.

10. Members are requested to bring their Annual Report at the Meeting.

11. The members/proxies should bring attendance slips duly filled in and signed for attending the meeting and handover the same at the entrance of the Hall.

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.

13. Electronic copy of the Annual Report for 2015-2016 along with Notice, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participants(s) for communication purposes unless any member has requested to provide him physical copy of Annual Report. For members who have not registered their email address, physical copies of the Annual Report for 2015-2016 is being sent to them in the permitted mode.

14. To support the 'Green Initiative', Members who have not registered their e-mail addresses are requested to register the same with the Registrar and Share Transfer Agent viz; Link Intime India Pvt. Ltd.

15. Members may also note that the Notice of the 25<sup>th</sup> Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company's website [www.bluedart.com](http://www.bluedart.com). The physical copies of the aforesaid documents will also be available at the Company's

Registered Office in Mumbai for inspection during normal business hours on working days excluding Sunday(s) and Public Holiday(s) upto and at the Annual General Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same.

16. The Notice of AGM of the Company can be downloaded from [www.cdslindia.com](http://www.cdslindia.com) and [www.bluedart.com](http://www.bluedart.com)
17. **In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facility to cast their votes electronically, through the remote e-voting services provided by the Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.**

The instructions for e-voting are as under:

- (i) The voting period begins on Friday, July 22, 2016 (9.00 a.m. IST) and ends on Wednesday, July 27, 2016 (5.00 p.m. IST). During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 21, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>

Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>
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- (vii) If you are a first time user follow the steps given below:
- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for <**BLUE DART EXPRESS LIMITED**> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Other instructions:**

- (i) The voting rights of Members shall be in proportion to their shares of the paid – up equity share capital of the Company as on July 21, 2016.
- (ii) Mr. Nilesh Shah, Practicing Company Secretary (Membership No. FCS 4554), has been appointed as the scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- (iii) The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.
- (iv) Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (v) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.bluedart.com](http://www.bluedart.com) and on the website of CDSL and communicated to the BSE Limited (BSE), and the National Stock Exchange of India Limited (NSE) where the shares of the Company are listed.
- (vi) Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the cut -off date i.e. July 21, 2016 may follow the same procedure as mentioned above for e-Voting. However, if you are already registered with CDSL for remote e-voting then you can use your existing password for casting your vote.

**REGISTRAR & SHARE TRANSFER AGENT:**

Link Intime India Pvt. Ltd.,  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (W),  
Mumbai 400 078.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

As required by the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item no. 5 to Item no. 7 accompanying Notice dated April 15, 2016.

### Item No. 5

a) Subject to necessary approval by the Members at the Annual General Meeting and on recommendation of the Nomination & Remuneration Committee in its meeting held on February 10, 2016 and approval of the Board of Directors in its meeting held on February 10, 2016, remuneration terms of Mr. Anil Khanna as the Managing Director has been revised effective January 1, 2016 to include Long Term Incentive (LTI) of a maximum of 20% of Total Direct Compensation payable to him, for each year, based on targets set for each Calendar year. The performance period starts on January 1, 2016 and ends on December 31, 2019 (four years) and LTI will be paid after 4 years based on achievement of targets set (viz; EBIT, market share growth) as decided by the Board of Directors from time to time.

b) Subject to necessary approval by the Members at the Annual General Meeting and on recommendation of the Nomination & Remuneration Committee in its meeting held on April 15, 2016 and approval of the Board of Directors in its meeting held on April 15, 2016, revised remuneration terms of Mr. Anil Khanna as the Managing Director for the period from April 1, 2016 to March 31, 2017 are as under:

Basic	- ₹ 16.62 lacs per month
House Rent Allowance	- ₹ 0.932 lacs per month
Special Allowance	- ₹ 2.361 lacs per month
Sr. Management Allowance	- ₹ 0.968 lacs per month

In addition to the above amount, Mr. Anil Khanna shall be entitled to the following;

- The Company's contribution to Provident Fund, in accordance with the Rules and Regulations of the Company.
- Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- Encashment of an unavailed leave at the end of each year.
- Re-imbursement of telephone expenses at residence for official purpose.
- A chauffeur – driven vehicle.
- Coverage under Company's Group Insurance Cover.
- Fees of club, subject to a maximum of one club. This will not include admission and life membership fees.
- Subscription and Annual fees for the Corporate Credit Card.

ix. The Managing Director shall be entitled to an incentive payment based on achievement of profitability levels and other parameters as determined by the Board of Directors for the calendar year ended December 31, 2016, upto a maximum of Rs. 158.18 lacs.

x. Increment for each year shall be determined by the 'Nomination & Remuneration Committee' and which shall be subject to approval of the Board of Directors and members of the Company at the General Meeting of members.

Save and except as indicated hereinabove, other terms of appointment of Mr. Anil Khanna, Managing Director, remains the same.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Agreement to be entered into between the Company and Mr. Anil Khanna.

A copy of the draft of the Supplementary Agreement referred to in the said resolution is available for inspection by the members at the Registered Office of the Company on all working days excluding Sunday(s) and Public holiday(s) and, between 11.00 A.M. to 1.00 P.M. upto and including the date of Annual General Meeting.

In compliance with the applicable provisions of the Companies Act, 2013, an Ordinary Resolution as per the terms set out in Item No. 5 of the accompanying Notice is being placed before the members in the Annual General Meeting.

Except Mr. Anil Khanna, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution set out in Item no. 5.

The Board of Directors recommends the resolution for approval by the members.

### Item No. 6

Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and pursuant to the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, all Material Related Party Transactions shall require approval of the shareholders through Ordinary Resolution and all existing material related party contracts or arrangements entered into prior to the date of notification of these regulations i.e. before September 2, 2015 and which may continue beyond September 2, 2015 shall be placed for approval of the shareholders in the first General Meeting subsequent to notification of these regulations. A transaction with a related party shall be considered material, if the transaction(s) entered into individually or taken together with previous transactions during the financial year, exceeds 10% of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Blue Dart Aviation Limited ('BDAL') is a 'related party' of the Company within the meaning of Section 2 (76) of the Companies Act, 2013

and the transactions proposed to be made of availing services from BDAL constitutes a material related party transaction which requires approval of members by an Ordinary Resolution under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

The transactions with Blue Dart Aviation Limited (BDAL), Subsidiary Company, placed for your approval are in ordinary course of business and at arm's length. However, pursuant to provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements), it is proposed to seek approval of members of the Company by passing Ordinary Resolution, to continue the existing transactions with BDAL as well as for availing of services from BDAL pursuant to the ACMI Agreement with effect from October 1, 2016 to September 30, 2017:

- Name of the related party: Blue Dart Aviation Ltd.
- Name of the director or key managerial personnel who is related: None
- Nature, material terms, monetary value and particulars of the contract or arrangement:

Existing Transactions:

Sr. No.	Nature of Transactions	Amount as on March 31, 2016 ₹ In Lacs	Amount as on March 31, 2015 ₹ In Lacs
1.	Loans	₹ 9,348	₹ 12,556
2.	Corporate Guarantees	₹ 6,000	₹ 4,868
3.	Payload Deposit	₹ 2,150	₹ 2,150

- Nature of Relationship: Subsidiary under Section 2(87) of the Companies Act, 2013.

The loan carries an interest computed at an average 'base' rate of IDBI Bank and ICICI Bank with an interest re-set bi-annually.

Renewal of ACMI Contract October 1, 2016 to September 30, 2017:

- Estimated Value of Transaction from October 1, 2016 to March 31, 2017 – ₹ 40,000 Lacs
  - Estimated Value of Transaction from April 1, 2017 to September 30 2017 – ₹ 45,000 Lacs
- Any other information relevant to or important for the members to make a decision on the proposed transaction:

The Company has ACMI Contract with BDAL for dedicated air carriage capacity which ensured strong support in sustaining the Company's leadership position. The Company is only customer of BDAL and BDAL provides services as per network requirements of the Company. In 2015-16 one aircraft has been added to increase the air carriage capacity resulting in increased cost of operation which has been factored in the estimated value of transaction from April 1, 2016 to March 31, 2017. Further, the above amounts are

based on ATF cost at the rate as on March 2016 and Exchange rate of 1 USD = ₹ 67. Any fluctuation in ATF and dollar price would need to be adjusted accordingly.

The Board of Directors recommends the resolution at Item no. 6 of the accompanying notice for approval by members as an Ordinary resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financially or otherwise, in the resolution set out in item no. 6

#### Item No. 7

The Members of the Company at the Annual General Meeting held on April 26, 2011 had approved payment of commission to Non - Executive Directors of the Company at a rate not exceeding one percent of net profit of the Company for a period of 5 (five) years from August 1, 2011. Accordingly, the validity of the said resolution shall expire on July 31, 2016.

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing regulations') under the provisions of Regulation 17(1)(6)(a) of the Listing Regulations and Section 197 of the Companies Act, 2013, compensation payable to Non-Executive Directors, including the independent Directors, shall require previous approval of the Members in the General Meeting.

On recommendation of Nomination & Remuneration Committee in its Meeting held on April 15, 2016 and approval by Board of Directors in its Meeting held on April 15, 2016, approval of the Members is being sought by way of a Ordinary Resolution for payment of commission for a further period of five years to Non-Executive Directors as set out in the resolution at Item no. 7 of this notice.

All Directors of the Company except Mr. Anil Khanna, Managing Director and Key Managerial Personnel of the Company and their respective relatives may be considered to be concerned or interested, financial or otherwise, in the resolution set out in Item no. 7.

Mumbai,  
April 15, 2016

By Order of the Board  
sd/-  
**Tushar Gunderia**  
Company Secretary  
Membership No. F5508

Regd. Office:  
Blue Dart Centre, Sahar Airport Road,  
Andheri (East), Mumbai – 400 099.  
Tel : 28396444 | Fax : 28244131  
CIN: L61074MH1991PLC061074  
www.bluedart.com  
communications@bluedart.com



## PROFILE OF MR. MALCOLM MONTEIRO, DIRECTOR RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

(Pursuant to Regulation 36 of Securities and Exchange Board of India)  
[(Listing Obligations and Disclosure Requirements) Regulations, 2015  
and Secretarial Standard (SS - 2)]

Mr. Malcolm Monteiro, aged 63 years, is CEO - DHL eCommerce, Asia Pacific with effect from April 1, 2014. Prior to his present role, he acted as a CEO DHL Express South Asia since 2007 and was responsible for reinforcing the vision of DHL, aggressively growing the international and domestic businesses and market share, enhancing customer experience at every customer touch point, encouraging a high level of employee engagement through active leadership for India, Sri Lanka, Pakistan, Nepal, Maldives, Bangladesh and Bhutan.

Prior to this role, Mr. Malcolm Monteiro was the Managing Director of Blue Dart between the period from March 13, 2006 to February 21, 2007 and led the organisation's commendable performance during the same period. He has over 18 years of experience in various functions in Blue Dart. Mr. Monteiro is credited with setting up the much acknowledged 'Track and Trace' System & ERP System (COSMAT 2), as well as the Aviation 'Space Management' System (SMART) among other cutting edge technologies. He was the prime mover in the re-launch of the Blue Dart's website, [www.bluedart.com](http://www.bluedart.com) - a quick response, interactive eBusiness solutions site as well as building an extensive, secure countrywide IT network.

Mr. Monteiro was primarily responsible in developing committed and trained human resources resulting in highly reliable operations and unmatched service excellence that have been major contributors

in making Blue Dart the undisputed Market Leader in the Domestic Express Industry.

Mr. Malcolm holds a post-graduate degree in Management from IIM, Ahmedabad, and is a graduate in Electrical Engineering from IIT, Mumbai, both of which are world-renowned top ranking institutions in their respective fields.

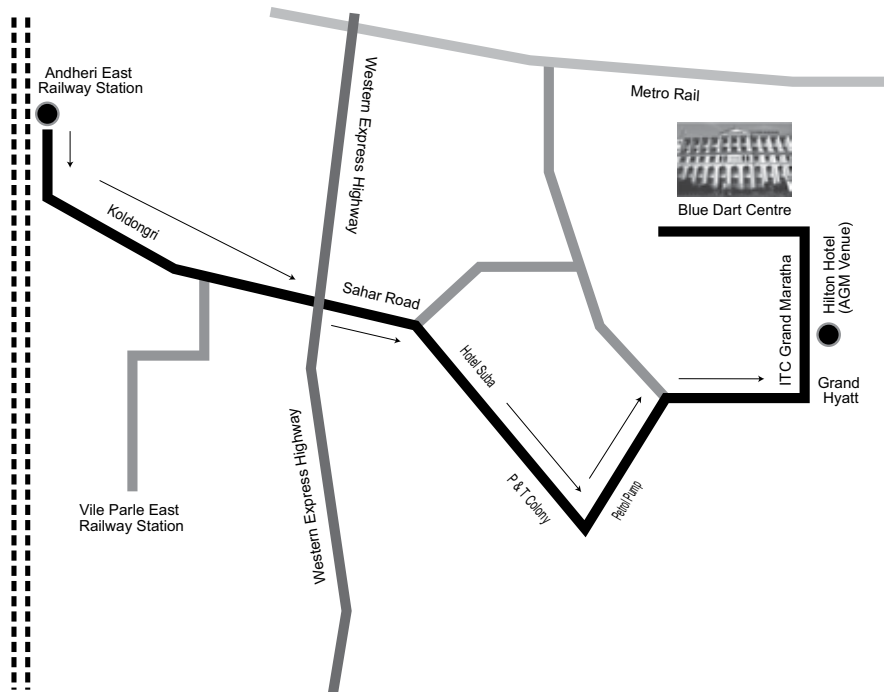
### Directorship in Other Companies

#### 1. Just Dial Ltd.

Mr. Malcolm Monteiro, Director, is not a member of any other committee, as contemplated under Regulation 26 of, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 other than a member of the Audit Committee and Nomination & Remuneration Committee of Just Dial Ltd. and does not hold any shares in the Company.

Mr. Monteiro and any of the other Directors, Manager or Key Managerial Personnel of the Company do not have any inter-se relationship.

For other details such as number of Board meetings attended during the year and remuneration drawn, please refer Corporate Governance Report.



# BLUE DART

EXPRESS LIMITED

Registered Office: Blue Dart Centre, Sahar Airport Road, Andheri (East), Mumbai 400 099  
Phone: +91-22-2839 6444 | Fax: +91-22-2824 4131 | CIN: L61074MH1991PLC061074  
www.bluedart.com | Email: communications@bluedart.com

## PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014 - Form No. MGT-11]

Name of the member(s) : .....  
Registered Address : .....  
E-mail ID : .....  
Folio No. / Client ID No. : .....

I/We, being the member(s) of Blue Dart Express Ltd. holding ..... shares of the above named company, hereby appoint

1. Name : ..... Email ID : .....  
Address : .....  
Signature : ....., or failing him/her

2. Name : ..... Email ID : .....  
Address : .....  
Signature : ....., or failing him/her

3. Name : ..... Email ID : .....  
Address : .....  
Signature : .....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/our behalf at the Twenty Fifth Annual General Meeting of the Company, to be held on Thursday, July 28, 2016 at 4.30 p.m at Chancellor I, Hotel Hilton Mumbai International Airport, Sahar Airport Road, Andheri (East), Mumbai 400 099 and at any adjournment thereof in respect of such resolutions as is indicated below:

Sr. No.	RESOLUTIONS	Optional*	
		For	Against
1	a) Adoption of Audited Financial Statements of the Company for the year ended March 31, 2016, Report of Board of Directors and Auditors thereon. b) Adoption of Audited Consolidated Financial Statements of the Company for the year ended March 31, 2016, together with Report of Auditors thereon.		
2	Declaration of Dividend on Equity shares for the Financial year ended March 31, 2016.		
3	Re-appointment of Mr. Malcolm Monteiro (DIN: 00089757) as a Director, liable to retire by rotation.		
4	Appointment of M/s Price Waterhouse, Chartered Accountants as Statutory Auditors of the Company and fixing their remuneration.		
5	Approval for revision in the remuneration terms of Mr. Anil Khanna, Managing Director.		
6	Approval for Material Related Party Transaction.		
7	Approval for payment of remuneration to the Non-Executive Directors (by way of commission) for a period of 5 years w.e.f. August 1, 2016.		

Signed this ..... day of ..... 2016

Signature of shareholder : ..... Signature of Proxy holder(s) : .....

### Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A Proxy need not be a member of the Company.
- \*It is optional to put (✓) in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
- For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 25<sup>th</sup> Annual General Meeting.
- The Company reserves its right to ask for identification of the Proxy.
- The proxy form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company /depository participant.

Affix  
Revenue  
Stamp

**FORM A- Standalone Results (Audit Report with unmodified opinion)**

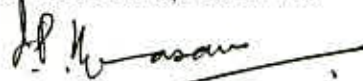
1.	Name of the Company	Blue Dart Express Limited
2.	Annual Financial Statements for the year ended	March 31, 2016
3.	Type of Audit observation	Un-Modified
4.	Frequency of observation	Not Applicable
5.	To be signed by- <ul style="list-style-type: none"><li>• CEO/Managing Director</li><li>• CFO</li><li>• Auditor of the company</li><li>• Audit Committee Chairman</li></ul>	Names and Signatures listed below

For Price Waterhouse  
Firm Registration Number: 301112E  
Chartered Accountants



Sumit Seth  
Partner  
Membership Number: 105869

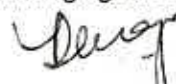
For Blue Dart Express Limited



Sharad Upasani  
Chairman, Audit Committee



Anil Khanna  
Managing Director



Yogesh Dhingra  
CFO and COO

Place: Mumbai

Dated: April 15, 2016

Place: Mumbai

Dated: April 15, 2016