

BLUE DART

EXPRESS LIMITED

NOTICE

NOTICE is hereby given that Twenty Third Annual General Meeting of Blue Dart Express Ltd. will be held on Wednesday, July 23, 2014 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 the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit & Loss Account for the year ended on that date together with the Reports of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend of ₹ 35 (Thirty Five) per equity share already paid for the financial year ended March 31, 2014 and to declare a final dividend on Equity shares for the financial year ended March 31, 2014.
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 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 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 Third 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 pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and pursuant to the provisions of Listing Agreements, Mr. Sharad Upasani (DIN: 01739334), a non-executive Director of the Company, who has submitted a

declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company with effect from July 23, 2014 up to July 22, 2019, not liable to retire by rotation.”

6. 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 Sections 149, 152 and any other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and pursuant to the provisions of Listing Agreements, Mr. Suresh Sheth (DIN: 00089981), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company with effect from July 23, 2014 up to July 22, 2019, not liable to retire by rotation.”

7. To consider and, if thought fit, to pass with or without modification(s), the following resolutions as an **Ordinary Resolutions**:

“RESOLVED THAT in partial modification of earlier Resolutions passed at the Twenty First and Twenty Second Annual General Meetings of the Company held on April 24, 2012 and July 23, 2013 respectively 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 (corresponding to Sections 198, 269, 309, 310, 311 and any other applicable provisions of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956) and in terms of recommendation of the 'Nomination and 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, Managing Director, for the period from April 1, 2014 to February 20,

2015, 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.”

8. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Section 14 and all other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and action as may be necessary, proper or expedient to give effect to this resolution.”

Mumbai,
June 21, 2014

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. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business as set out in item nos. 5 to 8 and relevant details in respect of item no. 3 pursuant to the provisions of Clause 49 of the Listing Agreement, are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, July 16, 2014 to Wednesday, July 23, 2014 (both days inclusive) for the purpose of determining eligibility of members entitled to dividend.
4. Interim Dividend for the year 2013-2014 at the rate of ₹ 35/- (Thirty Five) per share was paid to the shareholders on February 19, 2014. Final Dividend as 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 July 15, 2014 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 July 15, 2014. Transfer Documents received after July 15, 2014 will not be considered for the aforesaid purposes.
5. 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 and December 2006 to "The Investors Education and Protection Fund" established by the Central Government.
6. All members who have either not received or have not yet encashed their dividend warrant(s) for the financial year December 2007 till the period ended March 31, 2013 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.

7. Members are requested to furnish their Bank Account details, change of address, e-mail address etc. to the Company's Registrar and 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.
8. 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.
9. Members are requested to bring their Annual Reports at the Meeting.
10. 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.
11. 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.
12. Electronic copy of the Annual Report for 2013-2014 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 for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-2014 is being sent in the permitted mode.
13. Members may also note that the Notice of the 23rd Annual General Meeting and the Annual Report for 2013-2014 will also be available on the Company's website 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. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same.
14. **In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice.**

The instructions for e-voting are as under:

- A. In case of members receiving e-mail (for Members whose e-mail addresses are registered with the Company/ Depositories):**

- (i) Log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Blue Dart Express Ltd." from the drop down menu and click on "SUBMIT"
- (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 and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number for physical shareholder and client id for demat account shareholder in the PAN field. In case the physical folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio no. 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the - Dividend Bank Details in order to login. In case the details are not recorded with the depository or company please enter the number of shares held as on the cut off date i.e. June 20, 2014 in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly 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 the relevant <**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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

B. In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

C. Other instructions:

- (i) The voting period begins on Tuesday, July 15, 2014 (9.00 a.m. IST) and ends on Thursday, July 17, 2014 (6.00 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 June 20, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on June 20, 2014.
- (iii) Mr. Nilesh Shah, Practicing Company Secretary (Membership No. FCS 4554), has been appointed as the scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- (iv) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (v) Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed

by the Board of Directors of the Company, Mr. Nilesh Shah, Practicing Company Secretary (Membership No. FCS 4554), at the office of Company's Registrar & Transfer Agent not later than Thursday, July 17, 2014 (6.00 p.m. IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to prabhas@bluedart.com or aartif@bluedart.com - by mentioning their Folio/ DP ID and Client ID No. However, the duly completed Ballot Form should reach the Company's Registrar & Transfer Agent not later than Thursday, July 17, 2014 (6.00 p.m. IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- (vi) The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.bluedart.com and on the website of CDSL.
- (vii) 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 <https://www.evotingindia.co.in> under help section or write an email to helpdesk.evoting@cdslindia.com

REGISTRAR & SHARE TRANSFER AGENT:

Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W),
Mumbai 400 078.

PROFILE OF MR. MALCOLM MONTEIRO, DIRECTOR RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

(Pursuant to Clause 49 of the Listing Agreement)

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.

Mr. Monteiro was Managing Director of Blue Dart Express Ltd. during the period viz; March 13, 2006 to February 21, 2007 and led Organisation's commendable performance during the same period. He possesses over 21 years of experience in various functions of Blue Dart. Mr. Malcolm Monteiro is credited with setting up of much acknowledged 'Track and Trace' System & ERP System (COSMAT 2) as well as Aviation 'Space Management' System (SMART) among other cutting edge technologies. He was the prime mover in re-launch of Blue Dart's website, www.bluedart.com - quick responsive, interactive e-Business solutions site and he also contributed towards building of an extensive, secured countrywide IT network.

Mr. Monteiro was primarily responsible in developing committed and trained human resources resulting in highly reliable operations and unmatched service excellence which were major contributors in making Blue Dart an undisputed Market Leader in the Domestic Express Industry.

Mr. Monteiro holds a post-graduate degree in Management from IIM, Ahmedabad and is a graduate in an Electrical Engineering from IIT, Mumbai, both of which are world-renowned top ranking institutions in their respective fields.

Directorship in Other Companies

1. DHL Global Mail (Singapore) Pte. Ltd.
2. DHL Global Mail (Hong Kong) Ltd.
3. Deutsche Post Global Mail (Australia) Pty. Ltd.
4. Just Dial Ltd.

Mr. Malcolm Monteiro, Director is a member of the Audit Committee and Nomination & Remuneration Committee of Just Dial Limited and Member of the Audit Committee, Nomination & Remuneration Committee and CSR Committee of Blue Dart Express Limited. Besides this, he is not a member of any other Committees as contemplated under the provisions of Clause 49 of the Listing Agreement and do not hold any shares in the Company.

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

Appointment of other Directors (item no. 5 and 6)

For details of Mr. Sharad Upasani and Mr. Suresh Sheth, please refer to the below Explanatory Statement in respect of the Special Business set out at item nos. 5 and 6 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

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 Nos. 5 to 8 accompanying Notice dated June 21, 2014.

Item No. 5

Mr. Sharad Upasani is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement.

Mr. Sharad Upasani joined the Board of Directors of the Company and has been appointed as the Chairman of the Board of Directors of the Company with effect from December 21, 2007. Mr. Sharad Upasani holds a Masters in Commerce and LLB degree from Mumbai University, besides an MBA degree from USA. He has varied

experience in Administration and had the opportunity to work both in the State and Central Government and Public Sector Corporations. He has worked as Secretary of Industry Department, Maharashtra State and as a Managing Director of Maharashtra State Finance Corporation, Chairman of Maharashtra State Textile Corporation and Vice-Chairman of Maharashtra State Road Transport Corporation. He retired as Chief Secretary, Government of Maharashtra.

At the Central level, he has worked in the Finance Ministry, Industry Ministry and Information & Broadcasting Ministry.

He was also Chairman of the Company Law Board and Chairman of the Bureau of Costs and Prices, New Delhi. He was also Chairman of Film Certification Board, Mumbai and Vice-Chancellor of Agricultural University, Akola, Maharashtra.

Mr. Upasani was also on deputation to the International Monetary Fund, Washington from 1974 to 1978. He is a member of the Bar Council of Maharashtra and Goa. After retirement from the Government Service as a Chief Secretary, Government of Maharashtra, he is now a consultant on Corporate Law and acts as an Arbitrator in corporate disputes.

Mr. Sharad Upasani is the Vice Chairman and Member of Council of Management of M. Visvesvaraya Industrial Research & Development Centre, World Trade Centre, Mumbai.

Directorship in other Companies

1. Indoco Remedies Limited.
2. M. Visvesvaraya Industrial Research & Development, Centre, Vice Chairman and Member.

Mr. Sharad Upasani is not a member of any other Committees as contemplated under Clause 49 of the Listing Agreement other than a member of the Audit Committee, Corporate Social Responsibility Committee and Nomination and Remuneration Committee of Blue Dart Express Ltd. and does not hold any shares in the Company.

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

The Company has also received declaration from Mr. Sharad Upasani stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Sharad Upasani fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. A copy of the draft letter for appointment of Mr. Sharad Upasani as an Independent Director would be available for inspection by the members at the Registered Office of the company on any working day excluding public holidays and Sundays, between 11.00 A.M. to 1.00 P.M. upto and including the date of Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Upasani as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Upasani as an Independent Director and Chairman for approval by the shareholders of the Company.

Except Mr. Sharad Upasani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item no. 5. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 6

Mr. Suresh Sheth is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement.

Mr. Suresh Sheth joined the Board of Directors of the Company with effect from September 16, 1992. He is a Commerce graduate from Sydenham College of Commerce and Economics and a Fellow Chartered Accountant (FCA) and is a Member of the Institute of Chartered Accountants of India (ICAI) for the past 43 years. Mr. Suresh Sheth is a partner in M/s. Sheth & Company, a firm of Chartered Accountants. His area of specialization includes Audit, Taxation and Financial Consultancy. Mr. Sheth has travelled worldwide extensively in his professional capacity. He has been associated with Blue Dart since inception and has also been associated with various charitable institutions.

Directorship in other Companies

1. Antron (India) Pvt. Ltd.
2. Antelec Ltd.

Mr. Suresh Sheth, Director, is not a member of any other committees, as contemplated under clause 49 of the Listing Agreement other than a member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee of Blue Dart Express Ltd. and does not hold any shares in the Company.

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

The Company has also received declaration from Mr. Suresh Sheth stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Suresh Sheth fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. A copy of the draft letter for appointment of Mr. Suresh Sheth as an Independent Director would be available for inspection by the members at the Registered Office of the company on any working day excluding public holidays and Sundays, between 11.00 A.M. to 1.00 P.M. upto and including the date of Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sheth as an Independent Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Suresh Sheth as an Independent Director for the approval by the shareholders of the Company.

Except Mr. Suresh Sheth being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out in item no. 6. This Explanatory Statement may also be regarded as a disclosure under clause 49 of the Listing Agreement with the Stock Exchange.

Item No. 7

Subject to necessary approval by the Members at the Annual General

Meeting and on recommendation of the Nomination and Remuneration Committee in its meeting held on June 21, 2014 and approval of the Board of Directors in its meeting held on June 21, 2014, revised remuneration terms of Mr. Anil Khanna as the Managing Director for the period from April 1, 2014 to February 20, 2015 are as under:

Basic Salary	- ₹ 12.35 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

Save and except as indicated hereinabove, other terms of appointment of Mr. Anil Khanna, Managing Director, remain the same.

During the term of employment of the Managing Director, if in any financial year, the Company does not earn any profits or earns an inadequate profits as contemplated under the provisions of Schedule V of the Companies Act, 2013, unless otherwise approved by any Statutory Authority, the 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.

This Explanatory Statement be treated as a written memorandum under Section 190 of the Companies Act, 2013, of the Supplementary 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 any working day excluding public holidays and Sundays, 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. 7 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 relatives is concerned or interested, financial or otherwise, in the resolution set out in item no. 7.

The Board of Directors recommend the resolution for approval by members.

Item No. 8

The existing Articles of Association ("AoA") are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act.

With the coming into force of the Companies Act, 2013, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model Articles of Association for a Company limited by shares. Shareholder's attention is invited to certain salient provisions in the new draft of AoA of the Company viz;

1. Provisions relating to the appointment of independent and women directors have been added.
2. Provisions relating to the appointment of Key Managerial Personnel have been added.
3. Provisions relating to giving of special notice by shareholders for moving any resolution at a shareholders meeting have been amended in accordance with the Act.
4. Provisions relating to disclosures to be made by directors at meetings of the board and vacation of office by directors have been amended in accordance with the Act.
5. Provisions relating to use of the electronic medium to communicate with the shareholders and directors have been added.
6. Various existing articles have been aligned with the Act.
7. The statutory provisions of the Act which permit a company to do some acts "if so authorized by its articles" or provisions which require a company to do acts in a prescribed manner "unless the articles otherwise provide" have been specifically included.

The proposed new draft of AoA is being uploaded on the company's website for perusal by the Shareholders.

The proposed new draft of AoA is available for inspection by the members at the Registered Office of the Company on any working day excluding public holidays and Sundays, between 11.00 A.M. to 1.00 P.M. upto and including the date of Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financial or otherwise, in the Special Resolution set out at item no. 8 of the Notice.

The Board of Directors recommends the Special Resolution for your approval.

Mumbai,
June 21, 2014

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

BLUE DART

EXPRESS LIMITED

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 | E-mail: communications@bluedart.com

BALLOT FORM

Sr. No.	Particulars	Details
1.	Name and Registered Address of the Sole/First named Shareholder	
2.	Name(s) of the Joint Holder(s) (if any)	
3.	Registered folio No./ DP ID No. and Client ID No.	
4.	Number of Share(s) held	

I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Twenty Third Annual General Meeting (AGM) of the Company to be held on Wednesday, July 23, 2014, by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Resolution	No. of shares	(FOR)	(AGAINST)
			I/We assent to the resolution	I/We dissent from the resolution
1.	Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2014.			
2.	Confirmation of payment of Interim Dividend and Declaration of Final Dividend on Equity shares for the Financial Year ended March 31, 2014.			
3.	Re-appointment of Mr. Malcolm Monteiro as a Director.			
4.	Appointment of M/s Price Waterhouse, Chartered Accountants as Statutory Auditors of the Company and fixing their remuneration.			
5.	Appointment of Mr. Sharad Upasani as an Independent Director of the Company.			
6.	Appointment of Mr. Suresh Sheth as an Independent Director of the Company.			
7.	Revision in remuneration terms of Mr. Anil Khanna, Managing Director.			
8.	Special Resolution under Section 14 of the Companies Act, 2013 for adoption of new set of Articles of Association of the Company pursuant to Companies Act, 2013.			

Place:

Date:

(Signature of the Shareholder)

Note: Please read the instructions printed overleaf carefully before exercising your vote

Instructions

1. The Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
2. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
4. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

Process and manner for Members opting to vote by using the Ballot Form

1. Please complete and sign the Ballot Form (no other form or photo copy there of is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Nilesh Shah, Practicing Company Secretary (Membership No. FCS 4554) at the office of Company's Registrar & Transfer Agent .
2. The Form should be signed by the Member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of vote by Ballots not permitted through proxy.
3. In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution / Authorization.
4. Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the Ballot.
5. The voting rights of shareholders shall be in proportion of the share held by them in the paid up equity share capital of the company as on June 20, 2014 and as per the Register of Members of the Company.
6. Duly completed Ballot Form should reach the Scrutinizer not later than Thursday, July 17, 2014 (6 p.m. IST). Ballot Form received after July 17, 2014 will be strictly treated as if the reply from the Members has not been received.
7. A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date and time specified in serial no. 6 above.
8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
9. The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
10. The results declared along with Scrutinizer's Report, shall be placed on the Company's website www.bluedart.com and on the website of the Central Depository Services (India) Limited within two days of the passing of the Resolutions at the AGM of the Company on July 23, 2014, and communicated to the BSE Limited, and National Stock Exchange of India Limited, where the shares of the Company are listed.

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PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of the member(s) :

Registered Address :

E-mail ID :

Folio No. / Client ID No. :

I/We, being the member(s) of 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 Third Annual General Meeting of the company, to be held on Wednesday, July 23, 2014 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	Adoption of Statement of Profit and Loss, Balance Sheet, Report of Board of Directors and Auditors for the year ended March 31, 2014.		
2	Confirmation of payment of Interim Dividend and Declaration of Final Dividend on Equity shares for the Financial Year ended March 31, 2014.		
3	Re-appointment of Mr. Malcolm Monteiro as a Director.		
4	Appointment of M/s Price Waterhouse, Chartered Accountants as Statutory Auditors of the Company and fixing their remuneration.		
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7	Revision in remuneration terms of Mr. Anil Khanna, Managing Director.		
8	Special Resolution under Section 14 of the Companies Act, 2013 for adoption of new set of Articles of Association of the Company pursuant to Companies Act, 2013.		

Signed this day of 2014

Signature of shareholder : Signature of Proxy holder(s) :

Notes:

1. 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.
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of 23rd Annual General Meeting.
3. The Company reserves its right to ask for identification of the proxy.
4. The proxy form should be signed across the Revenue Stamp as per specimen signature(s) registered with the Company /depository participant.

Affix
Revenue
Stamp
(15 paise)

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ATTENDANCE SLIP

I certify that I am the member/ proxy for the member of the Company. I hereby record my presence at the 23rd Annual General Meeting of the Company to be held at Chancellor I, Hotel Hilton Mumbai International Airport, Sahar Airport Road, Andheri (E), Mumbai 400 099 on Wednesday, July 23, 2014 at 4.30 p.m.

DP ID No. _____

Client ID No. _____

Ledger Folio No. _____

No. of Shares _____

Name _____

Signature _____



Focus.Connect.Grow

Twenty-Third Annual Report 2013-14

IT TAKES A LEADER TO DELIVER

BLUE DART



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.

IT TAKES A LEADER TO DELIVER

BLUE DART

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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.





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.

Corporate Information

Registered Office:

Blue Dart Centre, Sahar Airport Road,
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Tel: +91 22 2839 6444
Fax: +91 22 2824 4131, 2831 1184
CIN: L61074MH1991PLC061074
www.bluedart.com
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.

Board of Directors



Sharad Upasani
Chairman



Anil Khanna
Managing Director



Malcolm Monteiro
Director



Clyde Cooper
Director



Suresh Sheth
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



Arun Nangpal
Head - Customer Service



Barttanu Kumar Das
Head - Human Resources



V. N. Iyer
Head - Corporate Accounting



Ketan Kulkarni
Head - Marketing, Corporate
Communications & Sustainability



M. D. Basappa
Corporate Controller
All India



Michael Pereira
Head - Air Operations



Vikash Mohan
Head - Ground Operations



Gopinath Menon
Head - South 2 Region



Balfour Manuel
Head - West 1 Region



K. Gopa Kumar
Head - South 1 Region



Sukhwinder Singh
Head - North Region



Amod Dasgupta
Head - East Region



Samir Shah
Head - West 2 Region

Chairman's Statement



Dear Stakeholders,

As the year progressed, though there was an improvement in the overall sentiment, the business environment continued to remain difficult in terms of inflationary pressures, elevated interest rates, lower than expected growth, fiscal imbalances, extreme foreign currency volatility etc. and operating in such a testing environment proved challenging.

On the global front, the much anticipated revival in the major economies such as the US and Eurozone was slower than expected during 2013. Recent events in the Middle East are also creating a situation wherein the supply of crude oil may be interrupted affecting prices. However, over the next couple of years, economic activity is expected to pick up at a steady pace in the developed economies. At the end of every dark tunnel, there is light. We believe that is the case with the economy too. Notwithstanding the slowdown that the economy has witnessed since the turn of this decade, it is our belief that the worst will soon be behind us and an economic revival will commence, albeit slowly and steadily, in the current fiscal year. The years thereafter could witness gradual acceleration in economic activity.

There is cautious optimism that the macro-environment will improve gradually. However, the transitional phase could be marked by volatility which will pose inevitable challenges to our business, which however, we are well equipped to overcome. The key to successfully manage the economic transitional phase towards a revival lies with the ability of governments worldwide and the newly formed Indian government to initiate strong action and implement positive policies.

Sustaining and Growing our Performance

Your Company posted ₹ 12,440 lacs as profit after tax for the year ended March 31, 2014 as compared to ₹ 18,866 lacs profit after tax for the fifteen month period ended March 31, 2013. Income from operations for the year ended March 31, 2014 was ₹ 193,415 lacs as compared to ₹ 216,651 lacs for the fifteen months ended March 31, 2013.

The Board of Directors of your Company has recommended a final dividend of ₹ 15/- per share for the year ended March 31, 2014. Together with the interim dividend of ₹ 35/- per share declared on February 5, 2014, the total dividend for the year ended March 31, 2014 works out to ₹ 50/- per share as compared to a dividend of ₹ 71/- per equity share for the fifteen month period ended March 31, 2013.

In 2013-14, we clocked satisfactory organic revenue growth amidst the challenging business environment. We are well aware that financial year 2014-15 will pose another challenge on account of the continued weak consumer demand, higher interest rates, sticky headline inflation and increased competitive spending. However, we have carved out a growth strategy for ourselves which makes us confident of delivering even in an adverse economic scenario.

There is a sound basis too for this belief. As per Management – internal estimates based on the ATK TMS 2010, your Company is a dominant leader in the domestic air express industry and commanded a 52% market share in the organised 'air' express market in 2013. In the 'ground' segment, the company garnered a market share of 14.5% in 2013. In both the segments viz; air express and ground express, our market share is growing every year.

Building Blocks

Blue Dart offers secure and reliable delivery of consignments to over 34,116 locations in India and to over 220 countries and territories worldwide through its group company – DHL Express.

Blue Dart's infrastructure comprises a mixed fleet of Boeing 737 and Boeing 757 freighters offering a revenue payload of over 385 tonnes per night, a flotilla of over 8,685 vehicles, 439 facilities and over 8,860 committed and trained Blue Darters delivering excellence.

In the fiscal year 2013-14, Blue Dart carried over 1,263.96 lacs domestic shipments and over 9.11 lacs international shipments weighing over 513,474 tonnes.

The banking, financial services and insurance, e-tailing, computers and peripherals, consumer durables, automotive sectors, electrical appliances, health services, high end consumer electronics and jewellery segments continue to drive demand in the Express segment. Blue Dart continued its focus on maximizing customer satisfaction and optimizing its operations.

The delay in implementation of Goods and Service Tax (GST), poor development of infrastructure across the country, multiple taxation system and a host of other issues continue to challenge the logistics industry. We have also grappled with crude oil and currency fluctuations.

The rupee depreciated sharply against the US Dollar by over 25% in Financial Year 2013-14. This, resultantly had an impact on our business operations. However, with the experience and expertise of our highly skilled and able management team, we were able to contain the losses arising from currency fluctuation or fuel price fluctuation. This would not have been possible but for the introduction of customer friendly mechanisms such as Currency Adjustment Factor (CAF) and Fuel Surcharge Mechanism (FSM) along with Diesel Surcharge Mechanism (DSM) which have been adopted by us over the years.

Overall, on account of long standing experience in the industry, we are better equipped to deal with macro and micro economic issues and emerge stronger as the economic cycle begins to turn.

Expanding our Geographies

Growth in the Express industry is expected to be driven by the growth of consumer industries coupled with increased penetration, extension to other industry segments, increase in network reach and introduction of new solutions.

The current logistics spend in India is relatively higher as compared to a notably lesser percentage in more developed countries such as US and Germany, which makes the opportunities even more attractive. On account of Blue Dart's undisputed position as the market leader, it is perfectly positioned to skim the opportunities as they keep arising.

Blue Dart targets having direct presence in locations where there are likely opportunities for economic growth. This also underlines the significance of our focus on expansion to Tier II & III locations where the next level of growth is anticipated. These locations are turning out to be important nodes of production, consumption and distribution, thereby creating incremental demand for the express industry including your Company.

During the fiscal year 2013-14, the Company continued its focus on strengthening its reach into Tier II and Tier III cities to provide customers best-in-class, end-to-end express solutions.

First Preference, Always

We remain the 'numero uno' pan India player providing end to end connectivity, as against some of our peers whose presence is restricted to certain geographies only.

With intensified competition amongst players in the Air Express Segment, we have been able to continuously drive our edge by virtue of the dedicated cargo aviation infrastructure. This is a remarkable achievement for our Company as it puts us way ahead of competition within the Organised Express Segment of the Logistics industry.

Our dedicated aviation infrastructure gives an edge over our peers as others in the air express segment rely on space available with passenger airlines, where passenger luggage is accorded priority over cargo. This enables us to improve our service quality on account of discipline in time schedules and secured cargo space.

Opportunities and Solutions

Even as India is increasingly integrating with the world economy, Tier II and III cities in India are evolving as huge consumer markets, driving trade and commerce.

Our business in these cities continues to grow, notwithstanding the overall economic slowdown. With its dense domestic air and road networks, Blue Dart can seamlessly operate across India as one market, giving it an competitive edge.

Our solutions are industry-specific and include time-critical deliveries, dedicated air and road freight services and value-added activities.

Time Definite Solutions (Domestic Priority 1030, Domestic Priority 1200, Dart Apex 1200), Day Definite Solutions (Domestic Priority, Dart Apex, Dart Surfceline), Packaging Solutions including Express Pallet (Air and Ground) and Smart Box (Air and Ground) continue to

drive growth for the Company along with Cargo Solutions like Airport to Airport, Interline and Charters besides offering Festive Solutions.

Industry Specific solutions like Temperature Controlled Logistics (TCL), Dart Surfceline Plus (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) also witnessed good traction during the period.

Recently, we introduced a securitised service – 'Critical Express' to cater to the huge domestic demand for mission – critical movement of items like passports, tenders and other securitised / valuable items. During the year, Blue Dart also successfully launched the International Time Definite offering of DHL Express (DHLE) to its customers.

E-Tailing and the Technology Thrust

E-tailing growth continues to outpace traditional lines of business, both in India and overseas. We have witnessed good traction in our e-tailing vertical as we partner with our customers to enhance their delivery model, which is a crucial function in such businesses.

It is a matter of pride for all of us that Blue Dart has been a partner of choice for e-tailing companies as they perceive that the partnership enhances their brand equity. The digital driven shopping boom should contribute significantly to our e-tailing vertical, as this contributes 11% to our consolidated revenues for fiscal year 2013-14.

The ongoing boom in the e-tailing industry whose size is expected to grow at about 52% CAGR till 2020* augurs well for our industry.

This growth is likely to be triggered by two significant developments. One, mobile devices such as smartphones and tablets make it easier for shoppers to access the web on the go. Secondly, traditional retailers too are investing heavily in bolstering their web divisions, fearing loss of sales to e-enabled competitors.

Additionally, our technological superiority results in creating significant monetary and non-monetary value for its customer base with features like ease of shipment track and trace controls and timely deliveries. Incorporation of features in our operations such as Weight Dimension Labelling, Ground Technical Support through GPS, Smart Truck System and Hand Held Devices go a long way in increasing the speed of our operations, automates processes, enhances security and improves efficiency across our service offerings.

As a technological knowledge leader for the Industry in the country, Blue Dart partnered with Yes Bank to offer Mobile Point of Sales (MPOS) solutions. Being the first of its kind payment mechanism introduced in the country, it provides the first mover advantage to Blue Dart for offering this new age payment mechanism to its customers. The MPOS mechanism uses mobile device based GPRS connectivity to facilitate payments (debit/credit card). This unique device when connected to any mobile device can be used as a Point of Sale (POS) terminal to facilitate card payments. Adoption of this facility enables the customers (e-tailing companies) to reduce risk of fraud, counterfeit, mutilation and theft. This in turn, reduces operational costs and enhances efficiency.

* KPMG e-fulfillment study

Widening the Market Leadership Gap

Our leadership positioning as a pan India player providing superior last mile connectivity has been further bolstered by our expansion into Tier II and Tier III cities. Our long-term strategy is in place and we believe this will improve our competitive position and our financial performance over the next several years. However, it is important for a business like ours to stay constantly in touch with our consumers and adapt very quickly to their changing needs.

We have devised various methodologies and availed of external agencies to develop deeper and more relevant consumer insights from a 360° viewpoint. More importantly, these insights are used to strengthen product development and delivery across the business verticals that we cater to.

The Brand Equity Study, Customer Satisfaction Surveys, First Choice Program, Net Promoter Approach, and many such initiatives continue to ensure that we constantly improve on parameters such as timely departure of aircrafts, maintaining superior service quality level, increasing revenue per shipment and kilos per shipment which are the key performance benchmarks in our Industry. The idea at Blue Dart is to set Industry benchmarks and hence we follow an extremely scientific approach to understanding our customer's requirements and their Blue Dart experience, on a monthly basis.

Our association with DHL has gone a long way towards increasing our presence, optimising our operations and sharing global best practices.

Corporate Governance

Blue Dart places a premium on and remains committed to good Corporate Governance, aligned to the best corporate practices. Good Corporate Governance has always been an integral part of the Company's business philosophy. Your Company continues to deliver value to stakeholders through its People Philosophy and Corporate Governance, based on distinctive customer service, business ethics, accountability and profitability.

With the enforcement of the Companies Act, 2013, as a good corporate citizen, your company adhered to the provisions of this new Act. As a progressive and proactive compliance of the same, Blue Dart realigned its accounting year during the previous fiscal ended March 31, 2013.

Corporate Social Responsibility

Corporate and Social Responsibility (CSR) is another key area for Blue Dart. It remains committed to excelling and this commitment is equally extended to the society which Blue Dart considers an integral stakeholder. Blue Dart & DHL as socially responsible corporate citizens organized the 3rd Blue Dart World CSR Day and Global CSR Excellence & Leadership Awards in Mumbai on 18th February, 2014 to recognize excellence in CSR across the industry. In September, 2013, the Company conducted the Global Volunteer Day 2013 where employees, partners and customers were encouraged to give back to society in wide ranging programs encompassing saving lives through blood donation, making our planet greener through tree plantation initiatives, investing in future generations by teaching and motivating children from marginalized sections of society and cleaning schools.

Volunteers also spent time and resources to bring happiness to the hearts of senior citizens and underprivileged children in many old age homes and orphanages.

Efforts to conserve energy are an ongoing aspect of our 'GoGreen' initiative. Under the 'GoHelp' initiative the Company joined hands with Urja Foundation and Dr. Harivanshrai Bachchan Memorial Trust as the Official Logistics Partner for providing solar powered lights to around 3,000 homes across India. Blue Dart also provided Free of Cost support to various NGOs and logistics support to victims of Cyclone Phailin and Uttarakhand floods.

The 'GoTeach' program was another landmark event where Blue Dart and DHL share the Teach for India (TFI) vision that one day all children will attain an excellent education. To fulfil the same, Blue Dart and DHL have joined hands with TFI to support equal opportunity in education.

Blue Dart believes in supporting initiatives for equal educational opportunities for children and youth. Blue Dart in collaboration with Oasis India runs an initiative called 'Blue Edge: Empowering Lives' in Mumbai and Chennai. Together, the aim is to enrich and empower the lives of young adults thereby improving their opportunities for a better tomorrow. A total of 715 young adults have benefited from this program. It has helped them to break the shackles of poverty and unemployment, providing the much needed edge in this competitive world.

Stepping Forward Confidently, Together

I have absolutely no hesitation in admitting that our employees are Blue Dart's strength and backbone. It is their personal commitment to meeting the Company's goals which drives our success. The Company's Board and I would like to thank all the employees of Blue Dart for ensuring excellent business results notwithstanding a challenging business environment.

It thus pleases me to inform you that, the company has further strengthened the First Choice Methodology aimed to position the brand as the 'Provider of Choice', 'Employer of Choice' and 'Investment of Choice'. As a result of this focussed approach, the Company was ranked 10th amongst 'Best Companies to Work for in India 2013' by Great Places to Work Institute, India in collaboration with the Economic Times and 1st in the Transport Industry. This would have not been possible but for the employee centric policies of the company. During the year, the company introduced 5S and GEMBA, Japanese techniques to help maintain a well organised, clean, highly effective and qualitative workplace.

I conclude here, with a special vote of thanks to each one of you, stakeholders who have placed your faith in Blue Dart and assure you of our very best efforts, always.

Warm regards,

Mumbai
June 21, 2014

Sharad Upasani
Chairman

Financial Summary

Financial Summary of last Eight years

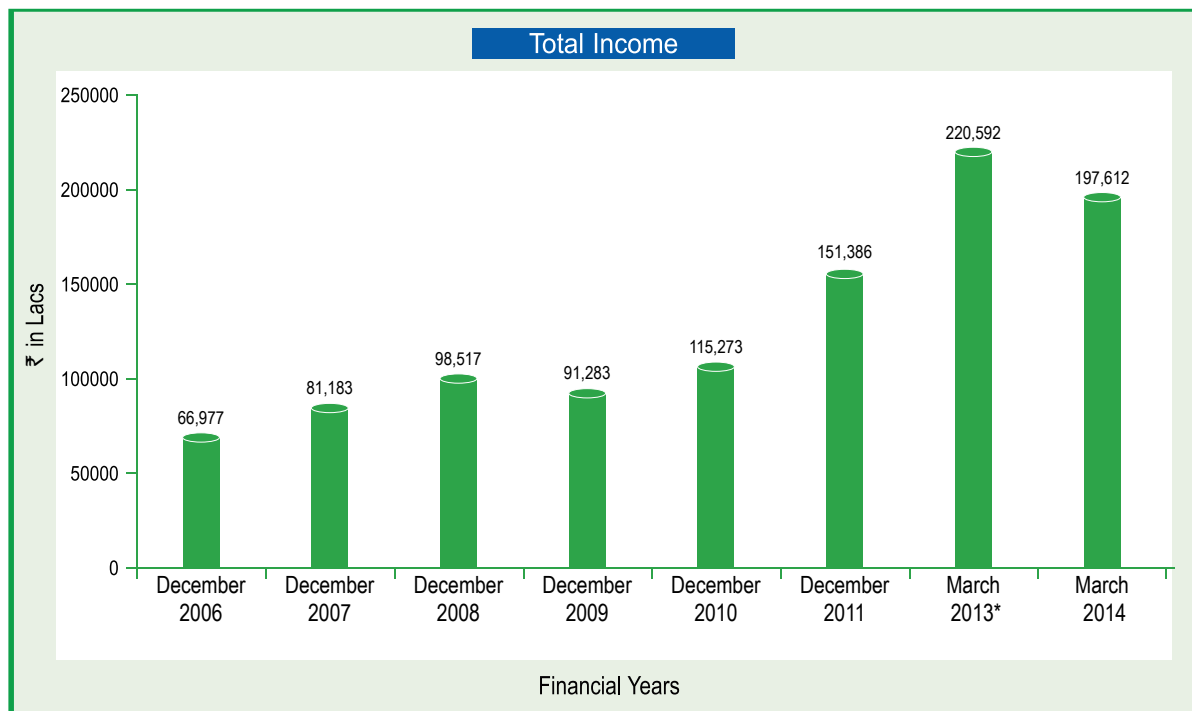
₹ in Lacs

Particulars	December 2006	December 2007	December 2008	December 2009	December 2010	December 2011	March 2013*	March 2014
Income from Operations	66,802	80,872	97,446	90,523	114,741	149,271	216,651	193,415
Other Income	175	311	1,071	760	532	2,115	3,941	4,197
Total Income	66,977	81,183	98,517	91,283	115,273	151,386	220,592	197,612
Total Expenditure	56,831	68,083	84,935	80,150	99,324	131,338	190,021	176,162
Operating Profit	10,146	13,100	13,582	11,133	15,949	20,048	30,571	21,450
Interest (Expense)	158	40	50	55	1	0	1	3
Gross Profit	9,988	13,060	13,532	11,078	15,948	20,048	30,570	21,447
Depreciation	2,201	2,403	1,657	1,776	1,922	2,160	3,448	2,710
Profit Before Tax	7,787	10,657	11,875	9,302	14,026	17,888	27,122	18,737
Taxation	2,764	3,664	4,140	3,232	4,589	5,664	8,256	6,297
Profit After Tax	5,023	6,993	7,735	6,070	9,437	12,224	18,866	12,440
Equity	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
Gross Fixed Assets	24,404	25,692	28,562	30,036	32,544	39,325	39,446	42,149
Networth	25,022	31,730	39,187	44,981	54,141	65,813	64,969	63,529
Book Value (₹)	105.39	133.72	165.15	189.57	228.17	277.38	273.82	267.75
ROCE (in percentage)	32.92	37.13	33.63	22.24	28.30	29.83	41.48	29.17
Debt Equity (in times)	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00

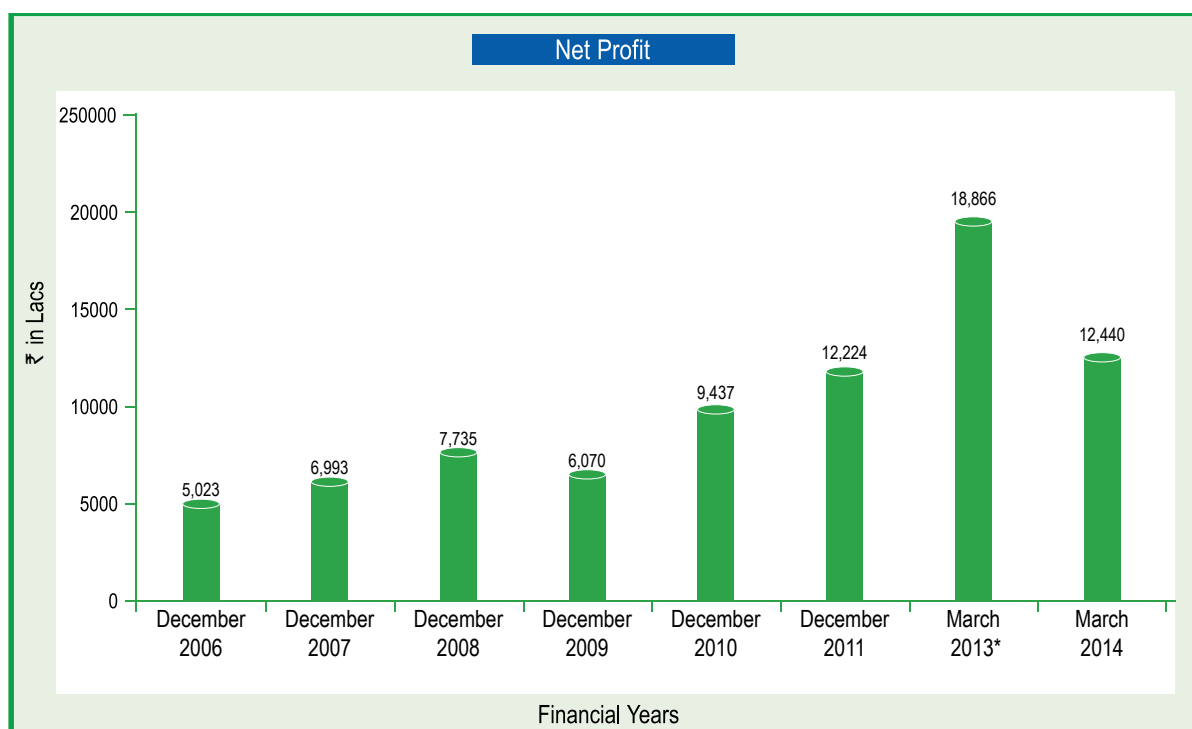
* Consequent to change of Accounting Year from 31st December to 31st March, the figures as of March 2013 are not comparable with previous / following year as March 2013 figures are for fifteen months period from January 1, 2012 to March 31, 2013.

Financial Summary

Eight years review

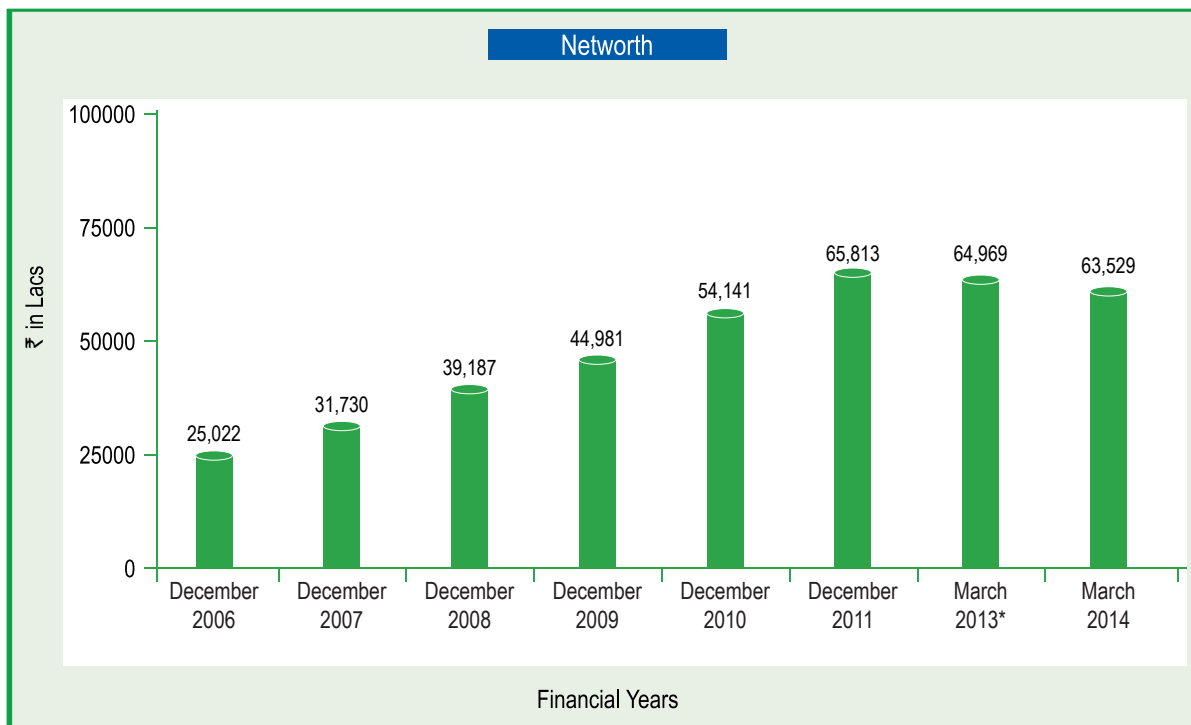


* Consequent to change of Accounting Year from 31st December to 31st March, the figures as of March 2013 are not comparable with previous / following year as March 2013 figures are for fifteen months period from January 1, 2012 to March 31, 2013.

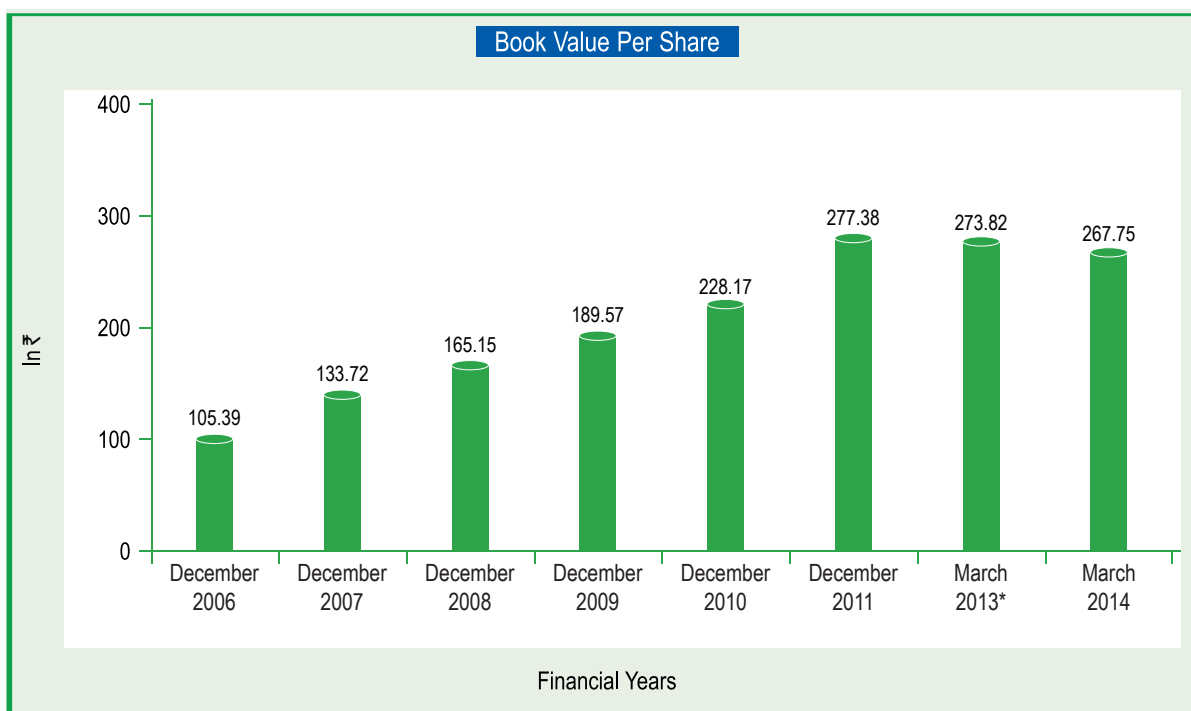


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Financial Summary



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Sustainability at Blue Dart

Blue Dart as a company has always understood its responsibility towards the environment and society. Sustainability has been an integral part of DP DHL's Strategy 2015 and is adopted by Blue Dart too. We believe in making a positive contribution to the world by using our knowledge and domestic / global presence in ways that benefit people and the planet.

As a company with a global outlook, we endeavour 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 championing education (GoTeach), protecting the environment (GoGreen) and delivering help (GoHelp). These are supported and complemented by regional community initiatives, which demonstrate the voluntary commitment, special abilities and enthusiasm of our employees from across Blue Dart Country.



GoGreen



GoHelp

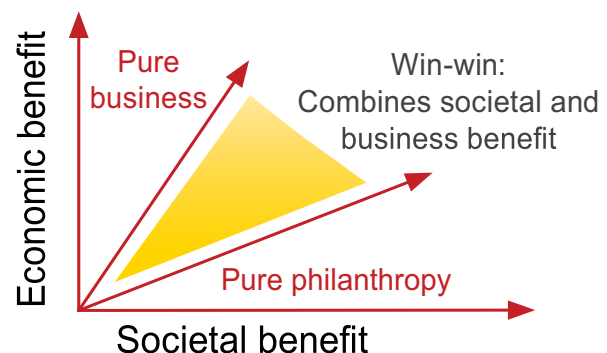


GoTeach



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



Sustainability at Blue Dart



Global Volunteer Day (GVD)

Blue Dart in collaboration with DHL, conducts a massive volunteering exercise known as “Global Volunteer Day” across the globe every year. Over 8,394 X BU volunteers from India and 1,00,000 globally joined hands to make a difference during Global Volunteer Day 2013 (GVD), held between 5 and 15 September 2013, showcasing exemplary unity in spirit, vision and purpose. In 2013, GVD saw an added enthusiasm, active participation and highest ever response surpassing last year’s count.

Through Global Volunteer Day 2013, many internal as well as external stakeholders participated in a wide range of activities such as blood donation, planting saplings, teaching the new generation from marginalized sections of society, cleaning school premises, spending time with underprivileged children and providing necessary resources to many old age homes and orphanages.

GoGreen

3,145 X BU volunteers across India supported planting of a staggering 9,114 saplings with Grow-Trees.com (official partner of the United Nations Environment Program’s Billion Tree Campaign and WWF’s Cities for Forests Campaign). These saplings were planted in the periphery of Sundarbans National Park, West Bengal. Apart from this, 266 X BU volunteers participated in plantation drives across various parts of the country.

GoHelp

2,215 X BU volunteers across 18 cities in India donated blood to save lives. 2,541 X BU volunteers also donated essential utilities, medicines, undertook lake cleaning, sponsored meals at various children/old age homes and created traffic awareness amongst citizens.

GoTeach

227 X BU volunteers across the country invested time in the lives of over 2,000 children through activities such as story reading sessions, quiz sessions, drawing competitions and talk on health and hygiene.

Detailed volunteering and donation activities during GVD 2013:

GoGreen

All India – 9,114 saplings were planted on the periphery of Sundarbans National Park, West Bengal.

Chennai, Hyderabad & Bengaluru - Volunteers across Chennai, Hyderabad & Bengaluru planted 221 saplings in five schools, doing their bit towards a green environment.

Indore - Saplings plantation drive at the Public Works Department in Old Palasia, Indore.

Delhi - Planted 100 saplings of Ashoka, Arjuna and Benjamin at a Government authorized park in association with Delhi Forest Department.

Ahmedabad – Sapling plantation drive at the warehouse. Provided saplings to walk-in customers at retail counters in Ahmedabad and also conducted one hour lights off initiative at Blue Dart facilities in Ahmedabad.

Pune – Volunteers conducted a sapling plantation drive at Seva Matimand Vidyalaya.

Chikalthana - Sapling plantation drive was carried out at Chikalthana, Maharashtra.

GoTeach

Teach For India (TFI)

Mumbai, Pune, Delhi, Chennai & Hyderabad - 162 X BU volunteers across five cities conducted interactive and fun filled sessions at 10 Teach For India schools (Vinay High School, Gumptha Road Municipal School, SVN English School, Powai MCGM, Kilbil EMS, Babu Jagjeevan Ram, Babul Uloom School, Nigam Pratibha Vidhyalaya, Vidhyaniketan, Government Model School Aliya and GPS - New Bhoiguda) through drawing competitions, story reading sessions, implementing lesson plans, career counseling, sharing life experiences,

Sustainability at Blue Dart

talk on health and hygiene and lastly awareness on GoGreen, thereby creating a refreshing buzz with students.

Non-TFI Schools

Besides this, over 65 X BU volunteers participated in interactive and teaching sessions at non-TFI schools at various locations.

Gurgaon - Volunteers taught Science, Mathematics & Political Science to Grade 5, 6, 8 & 11 children at Senior Secondary School Dadri Toyi.

Ahmedabad – An interactive session was conducted at Prakash School for differently abled children.

Ahmedabad & Gwalior – Volunteers conducted drawing competitions, storytelling, quizzes and recreational activities at Jeevan Tirth Ambawadi Open School (Ahmedabad) and Tribal Girls School (Gwalior).

Pune - School children from Seva Matimand Vidhyalaya were educated on health and safety measures.

Walunj – Volunteers held a drawing competition for the children of loaders, casual staff, drivers, housekeeping staff & security guards at Walunj, Maharashtra.

GoHelp

Blood Donation Drive

Blood Donation Drives have always formed a vital part of GVD. 2,215 X BU volunteers across India donated blood to save lives. Organized in association with several blood banks such as Think Foundation, Lions Blood Bank, Madras Voluntary Blood Bureau, IMA, Sankalp India, Central Blood Bank, GTB Hospital, AIIMS, Rotary Blood, Hemophilia Society and medical institutions like the Red Cross Society, these drives played a vital role in creating awareness on the importance of regular blood donation amongst the volunteers. These drives also helped in the effort to aid Thalassemia patients.

2,541 X BU volunteers also donated and served mid-day meals to underprivileged children in association with Akshaya Patra & Seva Matimand Nivas Vidhyalaya besides mobilizing essential utilities, medicines and volunteering at various children/old age homes and lastly creating traffic awareness amongst citizens.

North

New Delhi: Volunteers visited Manav Vikas, a special school and donated clothes, utensils, food items, medicines and also spent time with abandoned senior citizens at The Earth Saviours Foundation “Ayurda” Old Age Home. They also visited mentally and physically challenged children at Cheshire Homes and distributed refreshments to all.

Volunteers organized a clothes donation drive for Uttarakhand victims. Donation boxes were kept at various centers and were distributed by Goonj (NGO) to the victims thereafter.

South

Bengaluru, Chennai, Cochin, Hyderabad and Pondicherry: Volunteers donated material such as groceries, stationery, floor mats, sports goods, towels, bathing kits and water purifiers to various orphanages such as Maher Sneha Bhavan, Shade and Gypsy.

Bengaluru and Coimbatore: Volunteers donated stationery to school children at Karunai Illam, S. Periyapalayam, Tirupur & Nesakarangal Orphanage, Salem. They also donated sewing machines, fans, CFL bulbs and CD players.

East

Kolkata: Volunteers visited Ashaniketan, an old-age home which houses about 12 women senior citizens. They recited poems and folk songs for all the ‘Didimas’ (grandmothers).

Volunteers visited SOS Children's Village, a home for underprivileged children which houses about 200 children. This home is different from the regular orphanages. It provides the children with a shelter and a mother.

Patna: At Missionaries of Charity Sisters (orphanage), volunteers donated clothes and edible items for the less fortunate.

West

Mumbai: Volunteers organized a material donation drive in association with Goonj. Volunteers donated story books, school uniforms, water bottles, toys, notebooks, stationery, shoes and umbrellas.

A session on Ergonomics was conducted for employees in association with Young Concepts India Incorporated. Volunteers donated food grains and stationery items to orphan children and to Good Samaritan Mission, an old age home.

Goa: Volunteers visited El-Shaddai, a home for underprivileged children and donated toys, books, clothes and sponsored meals.

Pune: First Aid Training, TT injection camp, Blood Group checking camp and Pest Control awareness camp was organized. Volunteers also donated three months supply of groceries to Matoshree Orphanage in Pimple Gurav. They also carried out traffic awareness activity along with the Pune Traffic Control Police. Mid-Day meals were donated to children from Seva Matimand Nivas Vidhyalaya.

Ahmedabad: Volunteers interacted with orphan children, deprived senior citizens, differently abled, poor and blind people, sick & dying destitutes, leprosy patients & juveniles from Mother Teresa Children's Home, Blind People Association, Mahipat Ram Ashram, Giriraj Seva Kendra, Manav Seva and Lok Bhavna Trust, Manav Smruti, Home for Leprosy Patients, Sanjivani and Samarpan. Volunteers also funded cataract operations for 15 patients who could not afford to pay for surgery. Volunteers also donated sewing machines, towels, food grains, clothes, personal care products etc. along with donating cash to procure benches, sponsored books, rent for the place and winter wear at Jeevan Tirth Ambawadi Open School (Ahmedabad) and Tribal Girls School (Gwalior) respectively.



Sustainability at Blue Dart

3rd Blue Dart World CSR Day and Global CSR Excellence & Leadership Awards

Blue Dart being a socially responsible corporate organized the 3rd Blue Dart World CSR Day and Global CSR Excellence & Leadership Awards in India on 18 February 2014 at Mumbai. The awards recognized Corporate Social Responsibility (CSR) champions across various industries. The event was graced by the Chief Guest Dr. Bhaskar Chatterjee, Director General & CEO, Indian Institute of Corporate Affairs.

Blue Dart World CSR Day

The event was well attended by leading organisations like United Nations, Sanofi, KPMG, Hewlett Packard, CRY, Indian Institute of Corporate Affairs and many more comprising of panel discussions about **'CSR Good to Great - The Path Ahead'**, **'Assessing and developing potential for leadership'**, **'Measuring the success of CSR'**, **'The Vision of CSR'** and **'New Insights into the Correlation Between CSR and Brand Strength'**. The panel discussions were focused on the way forward over the CSR regulation in the Companies Bill and its impact on various organizations undertaking CSR activities. Some of the speakers and panel members included Dr. Wolfgang Engshuber, Advisory Council of Principle, UN Principles of Responsible Investments; Sandeep Juneja, Vice President – Commercial, DHL Express Pvt. Ltd.; Simone Mechiche, Director – CSR, Sanofi; Paul Ellingstad, Director of Human Progress Initiatives, HP Corporate Affairs, Hewlett Packard; Kim Feinberg, CEO & Founder, Tomorrow Trust; Kewal Handa, Ex-Managing Director, Pfizer; Puja Marwaha, Chief Executive Officer, CRY; Santhosh Jayaram, Technical Director, Advisory – Sustainability, KPMG; Gayatri Lobo, Chief Operating Officer, Teach For India; Joanne Yeoh, Immediate Past President – Region of Malaysia, National Representative – Elect of Malaysia and many more.

Blue Dart Global CSR Excellence & Leadership Awards

The **3rd Blue Dart World CSR Day** culminated in the **Blue Dart Global CSR Excellence & Leadership Awards** which recognized contributions made to the society and environment by various organizations in India and overseas. Yogesh Dhingra, Chief Financial Officer and Chief Operating Officer, Blue Dart Express Limited delivered the keynote address highlighting the CSR initiatives undertaken by the company and pledging to continue to work towards betterment of our communities and environment. The Chief Guest of the evening, Dr. Bhaskar Chatterjee, shared important information on the 2% spend on CSR and its rules.

The event acknowledged contribution across categories such as Best Corporate Social Responsibility Practices, Support and Improvement in Quality of Education, Diversity and Human Resource, Concern for Health, Poverty Alleviation, Accounting for Climate

Change, Carbon Footprint Accounting, Community Development, Regulation of Corporate Social and Environmental Behaviour, Social Entrepreneurship and CSR Leadership Award.

The advisory council included Alan Ernest Aicken, Vice President and Chief Sustainability Officer, Huawei Technologies Co. Ltd.; Anuradha Bhavnani, Regional Director, Shell Foundation; Andrew Bryson, Regional Director of Sustainability – Asia Pacific, Saatchi & Saatchi; Dr. Charu Jain, Global Sustainability Manager, DyStar Group; Martin Neureiter, CEO, CSR Company International, Austria to name a few.



Sustainability at Blue Dart

Blue Edge: Empowering Lives

The lack of opportunity for children to develop in a nourishing environment is rooted in poverty and its cultural manifestations. Desperate families need their children to produce immediate income and the subsequent denial of education creates a cycle that traps families in poverty. Proper schooling is prohibitively expensive or inaccessible to much of the developing world due to a lack of government support.

Blue Dart in association with Oasis India (NGO) started an initiative called 'Blue Edge: Empowering Lives' in Mumbai, which is aimed at enriching the lives of young adults from difficult environments, who have not been able to complete their education. This life-transforming programme has helped in impacting young adults from the underprivileged sections of society. It focuses on helping these students to complete their education through a vocational programme held for a duration of six months, bettering their chances of finding employment and guiding them to lead a more accomplished life. The program provides training in English Speaking, Computer Skills, Life Skills and Customer Orientation.

Facts on

Blue Edge: Empowering Lives program:

- Project run in Mumbai and Chennai
- Over 715 young lives already transformed
- A six month course on English Speaking, Computer Skills, Life Skills and Customer Orientation.
- Employee Participation
- The project received the 'Sustainable Education Strategy' – Blue Edge: Empowering Lives – Responsible Business Awards 2012

Since 2008, over 715 students have successfully completed this programme. Students 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. They are also encouraged to share their experiences about the course.

Students who have graduated from this programme have been placed in successful and reputed organizations in Telecom, Retail, and FMCG sectors etc. This ensures that the underprivileged section of society is not deprived of education as a building block to their ability to earn and support their future and families and contribute positively to the community.

This year the Blue Edge: Empowering Lives' programme saw the completion of the 12th and 13th batches in Mumbai and 4th and 5th batches in Chennai. The 14th and 6th batches in Mumbai and Chennai respectively are currently underway. Many of the graduates have taken admission in various colleges to complete further studies.

Testimonials from Students:

"In January, I joined Blue Edge course. I made many friends through this course. I am now placed in a leading AC Company as a saleswoman. This course enabled me to converse in English with my customers confidently. After getting this job, I got a new life and confidence and believe that I can come up in life and achieve my goals. I thank Blue Dart for this opportunity."

- Sasikala, a Blue Edge student.

"This course is very helpful and informative. It helped me to build my confidence in spoken English and totally changed my life through Life skill sessions. I also learned how to use a Computer. I'm very grateful to Blue Dart and my Blue Edge teachers."

- Shaheda, a Blue Edge student.

"Before coming to Blue Edge I lacked knowledge on spoken English, computer and life skills. I am very thankful to Blue Edge for choosing me for this course, now I can speak in English, use the computer and also my life has changed through the Life Skills sessions. I am grateful to all my teachers for changing my life and my thinking towards it."

- Bushra, a Blue Edge student.



Sustainability at Blue Dart

Teach for India (TFI)

India has by far the largest population of illiterate adults at 287 million, amounting to 37 per cent of the global total, a United Nations report said highlighting the huge disparities existing in education levels of the country's rich and poor. In India today, 4% of our children never start school. 58% don't complete primary schools. And 90% don't complete school.* Around 30% of children remain illiterate even after attending five-six years of school.

Within the GoTeach programme, our partnership with Teach For India (TFI) began in 2011 and now is a major initiative. Teach For India 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. We have had a highly successful year enabling Blue Darters to volunteer in several activities that benefited more than 300 classrooms in the TFI schools in Mumbai, Pune and Delhi. Blue Dart and DHL have also partnered with TFI across Mumbai, Pune and Delhi to help educate children from underprivileged families. Activities include Stationery Drive, Leadership Development Programme (for TFI Fellows in association with TISS), TFI Volunteering Week and TFI End of the Year Volunteering.

Activities with TFI:

Teach for India Week - Teach For India Week (27th - 31st January 2014) provides an opportunity for Blue Dart leaders to take on the role of teachers and intermingle with students at Teach For India. During this week, these leaders in Delhi, Mumbai, Hyderabad, Chennai and Pune stepped inside the Teach For India classrooms to get a glimpse of the lives of these students and experience the harsh reality of the education crisis. For sixty minutes they interacted directly with the students under the guidance of a Teach For India Fellow thus sharing their insights and knowledge. During their respective sessions, these leaders experienced the challenges of an under-resourced classroom. They also saw the optimism, ambition and resourcefulness of the Teach for India Fellows working relentlessly to overcome these challenges.

Teach for India Students visit to Blue Dart office - On the eve of Republic Day, 41 students aged between 10 to 12 years from Shivner Vidya Mandir supported by Teach For India, Mumbai were given a once-in-a-lifetime opportunity to visit the Blue Dart headquarters. The students were taken on a tour around the organization to interact with the SMT and employees from various functions. The aim of the initiative was to familiarize them with corporate culture and give them a view of a workplace environment, an opportunity which is rarely bestowed on them.

The students were given a warm welcome and were handed out the Indian tricolor. They were introduced to employees on each floor by various volunteers. Floor champions were also appointed to assist and engage with the students.

Blue Dart's Customer Service team wonderfully put together a special program for the children since the event coincided with Republic Day. The program was followed by a drawing competition on the theme of **"The India of My Dreams"**. Certificates were handed to each participant with the top ten best drawings receiving a certificate and also a prize.

The prizes were handed out by Chief Guest Yogesh Dhingra, Chief Finance Officer & Chief Operating Officer. The panel of judges for the drawing competition included Arun Nangpal, Senior Vice President – Customer Service; Balfour Manuel, Senior Vice President – West 1 and Ketan Kulkarni, VP & Head – Marketing, Corporate Communications and Sustainability.

Solar home lighting with Urja Foundation

Modern energy services are crucial to human well-being and to a country's economic development. But in parts of India, many households still lack electrical power, despite the nation's intention more than six decades ago to bring electricity to all its citizens. India is not entirely electrified yet, the grid does not go everywhere, and it is a vast country with many remote places that remain difficult to access or supply electricity to.

With the noble intention to serve our country men, who are deprived of electricity, Dr. Harivansh Rai Bachchan Memorial Trust launched the rural electrification initiative which was announced on Amitabh Bachchan's birthday on October 11, 2013.

The objective is to provide feasible and sustainable renewable energy solutions for inclusive growth. Millions of citizens have no access to electricity and since our country is blessed with abundant sunlight, we aim to provide electricity to our countrymen through this project.

The rural initiative commenced by providing solar powered lights to around 3000 homes all across India. The initiative is also supported by the United Nations Information Centre for India and Bhutan (UNIC).

Anil Khanna, Managing Director, Blue Dart Express Limited was felicitated by Amitabh Bachchan at an event held on November 19, 2013 for partnering towards a noble cause of electrifying rural India. Blue Dart is proud to partner this program.

*Source: www.teachforindia.org



Sustainability at Blue Dart

One of the biggest concerns facing today's world is global warming. A warmer earth may lead to changes in rainfall patterns, a rise in sea level, and a wide range of impact on plants, wildlife and humans. The main cause of global warming is emission of CO₂.

Blue Dart under the Living Responsibility pillar of GoGreen conducted various activities to encourage its employees to contribute towards the noble cause of saving the environment.

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 too are encouraged to switch off the lights at their residence between 8.30pm to 9.30pm on the same day. This initiative is championed by Anil Khanna, Managing Director, who sends out a mail encouraging all the employees to conserve energy.

Earth Hour

This year too Blue Dart observed Earth Hour and continued its practice of switching off lights for one hour across all its offices between 1.00pm to 2.00 pm. 654 Blue Darters pledged to switch off lights during Earth Hour at their homes, more than double the count of last year's 290 and the highest ever number of pledges taken by Blue Darters for Earth Hour. The buzz was created amongst all the employees through mailers sent directly from the office of Anil Khanna, Managing Director encouraging the employees to come forward and take part in the noble cause and pledge their support on the DP DHL site by following six simple steps.

Earth Day

On the occasion of Earth Day, on April 22, 2013, Blue Dart celebrated by putting up a stall in alliance with Mumbai Goes Green, an online portal. The stall was inaugurated by Russel de San Lazaro, Vice President, West 1. Many employees participated by purchasing these products. Mumbai Goes Green came into existence with the vision to educate citizens on following an eco friendly lifestyle and to motivate citizens to embrace green culture. It is a one stop shop for all eco friendly products and services that make less use of the earth's resources. Electronic Direct Mailers (EDMs) were circulated internally to promote Earth Day and create awareness by giving information about the degrading environment situation and what are the measures that can be taken in order to overcome these issues.

World Environment Day

Under the GoGreen - Living Responsibility pillar, Blue Dart celebrated World Environment Day (WED) 2013 from May 31st till June 5th 2013. EDMs were sent on a daily basis encouraging Blue Darters to Carpool, Say No to Printing / Plastic, Save Water / Electricity and register their GoGreen activities on the DP DHL site. To mark the World Environment Day on June 5, 2013, Blue Dart conducted stall activities across 7 cities i.e. Mumbai, Ahmedabad, Delhi, Kolkata, Bengaluru,

Hyderabad and Chennai. NGOs and social enterprises such as World Wildlife Fund, SEWA Trade Felicitation Centre, Mumbai Goes Green, Shilpin, Ecoart, Isha Foundation and Scopeplus were invited to set up stalls and sell eco-friendly and hand-made products. Employees from all the branches showed their complete support in making this initiative a success. The momentum was also built through articles in Daily News (Blue Dart's internal newsletter) about environmental concerns and tips to reduce-recycle-reuse.

FOC activities:

In November 2013, the Phailin cyclone in Orissa affected thousands of lives, causing damage to belongings, property and crops. Blue Dart in association with Balasore Social Service Society provided Free of Cost (FOC) delivery of relief material to the affected areas in Orissa. Blue Dart also provided a FOC consignment for delivering invites on the occasion of Joy of Giving Week in association with Dignity Foundation.

Donation Drive:

The devastation caused by the cloud burst and floods in Uttarakhand affected a large number of people. Many people lost their lives. Property worth millions was damaged and numerous houses were washed away in the floods. It was a nightmare for them. Keeping this compassion within, Blue Darters joined hands and donated cash to the PM's Relief Fund to lend a hand to the victims. In order to create awareness EDMs were rolled out and were also printed in the Daily News to generate more contribution. The response was overwhelming with Blue Darters contributing ₹ 4,54,276. The donation drive was carried out for 20 days, starting from June 25 till July 15, 2013.

Blue Dart along with DHL, conducted a material donation drive in association with 'Goonj' in Delhi, Bengaluru, Kolkata, Hyderabad, Chennai and Mumbai. Materials such as utensils, clothes, woolens, blankets, tarpaulins etc. were donated.

Blue Dart also undertook Feed-A-Child initiative along with Akshaya Patra where employees volunteered by contributing a small part of their salary towards the Mid-Day meal scheme.

Supporting a Cause:

The city of Mumbai, Pune, Bengaluru and Chennai went pink with Pinkathon. Many women Blue Darters along with their family, friends and not to forget spouses of our male colleagues joined other women across these cities to participate in the Pinkathon Women's 10Km, 5Km & 3Km run. The initiative aimed to raise awareness for women's health and breast cancer, educate women about its prevention and treatment, partnered with the Women's Cancer Initiative and Tata Memorial Hospital.



Awards & Accolades

The list of the awards received for the year 2013-14.

Brand / Customer Service / Retail / Loyalty / Sustainability

- Supply Chain Risk Management Company of the Year 2013 – ICICI Lombard India Risk Manager Award 2013
- India Green Company of the Year – Awarded by India Green Business Award 2013
- Ethical Brand in Logistics Sector – Awarded by Ethical Brand Awards 2014
- IIA Excellence Award 2014 – Awarded by The Institute of Internal Auditors
- Service Quality Award 2014 – Awarded by National Quality Excellence Awards 2014
- Master Brand Award – Awarded by 4th Master Brand Awards 2013
- Environment Communications Award – Awarded by 53rd Annual Awards of the Association of Business Communicators of India (ABCI).
- Regional Service Provider of the Year – Awarded by Payload Asia Awards 2013
- Brand Excellence Award in the FMCG (Logistics) Sector - Awarded by ABP Brand Excellence Award 2013
- Best Service Provider of the Year – Awarded by 7th Express, Logistics and Supply Chain Conclave 2013
- Cost Management Excellence Award – Awarded by 10th National Award for Excellence in Cost Management
- Award for Brand Excellence in Supply Chain & Logistics Sector – Awarded by 4th CMO Asia Awards for Branding & Marketing 2013
- Community Development – Awarded by 3rd Asia's Best Practices Award 2013
- Carbon Footprint Accounting – Awarded by 3rd Asia's Best Practices Award 2013
- Best Corporate Responsibility Practice – Awarded by 3rd Asia's Best Practices Award 2013
- Best Communications Campaign – Awarded by Corporate Excellence Awards 2013
- Marketplace Behaviour (Responsible Supply Chain Award) – Awarded by Responsible Business Awards 2013
- Reader's Digest Most Trusted Brand Platinum Award 2013
- Best of Class Cold Chain Logistics Supported by Air – Awarded by a leading pharmaceutical company
- Best Customer Feedback Strategy of the Year – Indian Retailer Customer Service Awards 2013
- Best Logistics Partner 2013 – Awarded by a leading e-tailing company
- Outstanding Contribution 2012 – Awarded by a leading pharmaceutical and FMCG company

Human Resources

- Ranked 10th amongst top 100 'Best companies to Work for in India 2013' – Great Place to Work Institute, India and 1st in the transport industry
- Innovation in HR – SAP Awards 2013

Individual

- CEO with HR Orientation – Anil Khanna – Awarded by Global HR Excellence Awards 2014
- Recognised as the Most Valuable CEO – Anil Khanna - By Business World Magazine
- Voted at No. 4 position amongst India's Top 50 CEOs – Anil Khanna - By Entrepreneur Magazine
- Voted amongst India's Top 100 CEOs – Anil Khanna - By Business Today Magazine
- Super Boss of the Year 2013 – Anil Khanna
- Life Time Achievement Award – Anil Khanna – Awarded by 7th Express, Logistics and Supply Chain Conclave 2013
- CEO of the Year – Anil Khanna – Awarded by Asian Leadership Awards 2013
- Brand Builder of the Year – Anil Khanna – 4th CMO Asia Awards for Branding & Marketing 2013
- Thought Leader Award – Anil Khanna – Thought Leaders Award 2013
- Asia's Best CFO Award – Yogesh Dhingra – 4th CMO Asia Awards for Branding & Marketing 2013
- Responsible Business Leader – Yogesh Dhingra – Responsible Business Awards 2013
- Best CFO of an MNC (Mid-sized companies) – Yogesh Dhingra – 4th Business Today – Yes Bank CFO Award 2013
- Women Leadership Achievement Award – Arun Nangpal - Awarded by World Women Leadership Congress Awards 2014
- CFONEXT100 Award – Varun Dhawan – Second Annual CFONEXT100 2013
- Sustainability Leadership Award – Ketan Kulkarni – Awarded by Global Sustainability Leadership Awards 2014
- 50 Most Talented CMOs Award – Ketan Kulkarni – Awarded by Golden Globe Tigers Award 2013
- Outstanding CMO of the Year – Ketan Kulkarni – Awarded by Asian Leadership Awards 2013



DIRECTORS' REPORT

To the Members,

Your Directors have great pleasure in presenting the Twenty Third Annual Report of your Company for the financial year ended March 31, 2014.

FINANCIAL RESULTS

(₹ in Lacs)

Particulars	For the year ended March 31, 2014	For 15 Months period ended March 31, 2013
Revenues		
Service Charges	193,415	216,651
Other Income	4,197	3,941
Less : Operating Expenses	176,162	190,021
Operating Profit (EBIDTA)	21,450	30,571
Less : Interest Cost (Net)	3	1
Depreciation/Amortisation	2,710	3,448
Earnings before tax	18,737	27,122
Less : Provision for Income tax	6,297	8,256
Earnings after tax	12,440	18,866
Profit and Loss Account balance brought forward	53,405	56,136
Profit available for appropriation	65,845	75,002
Interim Dividend	8,305	-
Proposed Dividend	3,559	16,847
Dividend Distribution Tax	2,016	2,863
Transfer to General Reserves	1,244	1,887
	50,721	53,405

REVIEW OF PERFORMANCE

The Indian economy has gone through different cycles of growth since independence. The growth rates reflected promise and renewed optimism with opening up of the economy in the early 90's, but in the recent past, economic growth has not been able to sustain its northward trajectory.

The Indian economy, Asia's third largest, showed a declining growth since the last two years from the growth it witnessed few years ago. This can be attributed to multiple factors viz; high inflation, high interest rates, slowing global economy, delay in implementation of projects, policy logjam, slowing industrial growth and subdued business sentiment. As a result of these factors, the Indian economy grew at 4.7%* during Financial Year 2014, with the fourth quarter growing at 4.6%*, marginally higher than 4.4%* recorded in the same quarter last year. This marks a second consecutive year of sub-5% growth; the worst slowdown in more than a quarter of a century.

In the recent years, the economic and business environment in India has become much more challenging. Against the backdrop of this economic scenario, your Company continued its efforts towards maximising customer satisfaction, enhancing value for its stakeholders and delivered quality, value, speed, efficiency, responsiveness and service excellence. Over the years, these efforts have gone a long way towards the evolution of your Company becoming synonymous with reliability and trustworthiness.

Your Company posted ₹ 12,440 lacs profit after tax for the year ended March 31, 2014 as compared to ₹ 18,866 lacs profit after tax for the fifteen months period ended March 31, 2013. Income from operations for the year ended March 31, 2014 was ₹ 193,415 lacs as compared to ₹ 216,651 lacs for the fifteen months period ended March 31, 2013.

With a new Government in place post the general elections held a couple of months ago, there is an air of cautious optimism that economic reforms will be put back on track and a business friendly set of initiatives will be put in place to revive overall growth of the economy.

With a dedicated air and ground network optimised by the cutting-edge technology, your Company continues to be South Asia's number one air and integrated transportation, distribution and logistics Company. It also offers a wide range of innovative and simplified solutions across industry verticals.

Blue Dart is a Company with 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 pay close attention to the environmental and social responsibilities.

E-tailing express deliveries are the linchpin of an e-tailer's success. 'Cash on Delivery' is the most preferred payment mode for the e-tailing buyers. In a short period of time, Blue Dart has established itself as the preferred service provider and currently holds the dominant market share. E-tailing constitutes one of the fastest growing and top industry verticals for the Company. To provide enhanced customer satisfaction and qualitative service offerings, your Company continues to invest in the areas which could contribute to a enhanced and wide reach for customers, better turn-around time for remittance of cash collected during delivery cycle, vendor pick-ups and registration, reverse logistics, intelligent API Integration and periodic reconciliation of 'Cash on Delivery' amounts.

*Source – CMIE – Centre for Monitoring Indian Economy

DIRECTORS' REPORT

Your Company recently introduced securitised service viz; Critical Express to cater to the huge domestic needs for safe carriage and movement of key documents viz; passports, tenders and other securitised (or valuable) items. During the year, Blue Dart successfully launched 'International Time Definite Offering' of DHL Express (DHLE) for its customers.

The domestic express offerings include "Time Definite Solutions" (Domestic Priority 1030, Domestic Priority 1200, Dart Apex 1200) and "Day Definite Solutions" (Domestic Priority, Dart Apex, Dart Surfceline). Packaging Solutions include Express Pallet (Air and Ground), Smart Box (Air and Ground). The Company also offers Cargo Solutions like "Airport to Airport", "Interline" and "Charters" besides offering Festive Solutions.

Blue Dart also offers industry specific solutions viz; Temperature Controlled Logistics (TCL), Dart Surfceline Plus (DSP), Point to Point (P2P) and a host of value added services viz; Demand Draft on Delivery (DOD), Freight on Delivery (FOD), Freight on Value (FOV) and Cash on Delivery (COD). E-tailing growth continues to outpace traditional lines of business and your Company has witnessed good scalability in its E-tailing vertical.

Your Company's Information Technology remains one of its key differentiators. The use of technology to optimise products, minimise costs and innovative offerings have driven successful efforts of the Company to provide Indian customers high service quality.

Your Company continues to focus on innovation and would strive to keep delivering beyond the expectations of its stakeholders.

As per Management - Internal estimates, based on the ATKearney (ATK) Total Market Study (TMS) 2010, your Company, today, is a dominant leader in the domestic air express industry and commanded a 52% market share in 2013 in organised air express as compared to 49% market share in 2012. In the 'ground' segment, the Company garnered a market share of 14.5% in 2013 as compared to 13.3% in 2012. In both the segments viz; air express and ground express, market share is growing every year.

Blue Dart continues to focus on reach, expansion, transit time improvements, small towns (Tier-II and III) activation and strengthening channels to enhance its market share. Your Company increased its reach to over 34,116 locations.

Your Company is certified to the ISO 9001 standards since 1996 and has successfully re-certified in September 2011 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 an Indian sub-continent and international destinations serviced through multinational express companies."

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

During the year, your Company has further strengthened its "First Choice Methodology" aimed at positioning as the 'Provider of Choice', 'Employer of Choice' and 'Investment of Choice'. 'First Choice' continues to play a critical role in strengthening our quality initiatives and will continue to be a 'way of life' for us.

'First Choice' is a systematic and sustainable approach to transform the business by aligning it to the customer's needs on a continuous basis. 'First Choice' is an initiative which transforms the way your Company does business and enables your Company to consistently deliver superior service experience to its customers to become their 'first choice'. NPA initiative aims at gauging the customer's loyalty and delivers a 'Net Promoter Score' which is an international benchmark for customer advocacy. NPA is a two-step customer call process, which identifies customer issues which need to be addressed.

Implementation of First Choice and Net Promoter Approach Programs were designed to improve service quality and ability to capture 'Voice of Customers' in a systematic manner to ensure that, meaningful, corrective and improvisation measures could be undertaken as soon as possible.

DIVIDEND

The Board of Directors of the Company in its meeting held on February 5, 2014 approved the payment of an Interim Dividend of ₹ 35/- (Rupees Thirty five only) per equity share of ₹ 10/- each. After analyzing the Company's financial position and keeping in mind the future growth and expansion and adequate investment made in the infrastructure and facilities over a period of time, the Board of Directors are pleased to recommend a final dividend of ₹ 15/- (Rupees Fifteen only) per equity share of ₹ 10/- each subject to necessary approval by the Shareholders of the Company at the ensuing Annual General Meeting of the Company.

The total dividend (interim and final) payout including Dividend Distribution Tax will sum up to a total of ₹ 13,880 lacs, as compared to ₹ 19,710 lacs in the previous period.

TRANSFER TO RESERVES

Your Company proposes to transfer ₹ 1,244 lacs to the General Reserves. An accumulated balance of ₹ 50,721 lacs is carried forward to Profit and Loss Account.

SCHEME OF ARRANGEMENT

The Board of Directors of the Company in its meeting held on October 15, 2013 approved the 'Scheme of Arrangement' under the Provisions of Sections 391 and other applicable provisions of the Companies Act, 1956 and/or Companies Act, 2013 (the "Scheme") for issuance of unsecured, redeemable, non-convertible, fully paid up debentures, by way of Bonus, to be allotted out of Surplus in the Statement of Profit and Loss of the Company, to the shareholders as viz; 7 Debentures under Series I Debentures, 4 Debentures under Series II Debentures and 3 Debentures under Series III Debentures respectively for every

DIRECTORS' REPORT

1 (one) equity share of the Company held by the Shareholders on the Record date to be fixed for this purpose.

After submitting requisite documents with BSE Ltd. ("BSE") (Designated Stock Exchange) and National Stock Exchange of India Ltd. ("NSE"), BSE and NSE vide their letters dated March 21, 2014 issued their 'No Objection' to the proposed scheme. The Company has initiated steps for sanction of the said scheme as is required under the applicable laws.

OPERATIONS REVIEW

Your Company, Blue Dart, South Asia's number one express air and integrated transportation, distribution and logistics company, offers secure and reliable delivery of consignments to over 34,116 locations in India, across the length and breadth of the Country. As part of the DHL Group, Blue Dart accesses the largest and most comprehensive express and logistics network worldwide, covering over 220 countries and territories and offers an entire spectrum of distribution services including an air express, freight forwarding supply chain solutions and customs clearance.

Your Company has an unmatched infrastructure, extensive reach, a mixed fleet of Boeing 737 and 757 freighters offering a revenue payload of over 385 tonnes per night, a flotilla of over 8,685 vehicles, 439 facilities and over 8,860 committed and trained Blue Darters driven by a unified passion of delivering service excellence and value.

Your Company carried over 1263.96 lacs domestic shipments and over 9.11 lacs international shipments weighing over 513,474 tonnes during the financial year ended March 31, 2014.

FACILITIES / INFRASTRUCTURE

During the year, your Company added 28 new and additional facilities and 5 replacement facilities taking the total number of facilities to 439, with a total area of over 2,193,673 sq.ft. across the country. Hubs were added at various locations viz; Raipur, Noida Sector 81, Faridabad, Thrissur, etc. Your Company plans to further strengthen and consolidate its infrastructure, including air and ground fleet.

AVIATION SYSTEM

The Company's ACMI contract with Blue Dart Aviation Limited, its Associate Company for dedicated air carriage capacity, ensured a strong support in sustaining Blue Dart's leadership position through its unique aviation network with a mixed fleet of Boeing 757 and Boeing 737 freighters, the only scheduled domestic cargo airline in the Indian skies.

Your Company has during the year, granted an additional inter-corporate loan of ₹ 1,464 lacs to Blue Dart Aviation Limited which was repaid as on March 31, 2014. Further, your Company received a repayment of ₹ 3,266 lacs as per agreed Loan amortization schedule. The residual tenure (weighted average) of the said loan works out to 4.22 years as on the 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, Blue Dart Aviation Limited posted excellent technical dispatch reliability (TDR) of 98.58% for Boeing 737 and 99.04% for its Boeing 757 fleet, with an overall TDR of 98.98% and continued its focus on safety which forms the benchmark for all aviation activities. Further, Blue Dart Aviation Limited rolled out package level tracking successfully at Chennai, Bengaluru, Mumbai, Delhi, Kolkata and Hyderabad stations.

Blue Dart Aviation Limited replaced one 'C' powered Boeing 757 aircraft with the fuel efficient 'E4' powered Boeing 757 aircraft. Further, Blue Dart Aviation Limited undertook 3 major checks on Boeing 757 and 1 phase check on the Boeing 737, including a Boeing 757 4C Check. A major pylon modification was carried out on a Boeing 757 aircraft, first in Blue Dart Aviation Limited and was carried out in a timely manner and cost effectively.

Blue Dart Aviation Limited continued its efforts at reduction of fuel consumption with Project 'Golden Drops' and Single Engine Taxi which gave significant cost savings in a difficult year. Further, Blue Dart Aviation Limited successfully carried out CAT III landings to maintain the high qualitative service offerings and to avert disruptive and expensive flight diversions.

During the year, Blue Dart Aviation Limited set up the Security Training Institute (ASTI) at Bengaluru which would support the Company to conduct mandatory security training independently and to substantially reduce cost. Further, the Safety Management System is implemented in compliance with the regulatory requirements. BDAL has constituted 'safety action groups' at all stations and at Head Office to ensure safety across the Organisation.

Blue Dart Aviation Limited, as part of its "GoGreen initiatives" planted saplings across 10 acres of temple land at the Sriperumbudur, Chennai and organised various social awareness programs as part of the 'Global Volunteer Day'.

FINANCE

Your Company's financial position is strong and it continues to enjoy "zero-debt" status.

During the year, your Company efficiently managed its surplus funds by investing into various high rated debt schemes (liquid category) of mutual funds for optimum working capital management. Liquidity in the Balance Sheet requires to be balanced between earning adequate returns and need to cover adequate financial risk. The Company's growth has been entirely financed through cash generation from its Operations. The Company has adequate cash generated from its operations to support its working capital and capital expenditure requirements.

In a challenging global and domestic market scenario, your Company efficiently managed its working capital which is considered to be the best in the industry and within the benchmarks laid down by the Global Parent Group.

DIRECTORS' REPORT

The Company's Earnings Per Share (basic & diluted) for the year ended March 31, 2014 stood at ₹ 52.43 per share as compared to ₹ 79.51 per share for the previous fifteen months ended March 31, 2013.

CREDIT RATING

Your Company continues to enjoy the highest credit quality rating for its commercial paper programme / short-term debt programme:

1. "[ICRA] A1+" (ICRA A one plus) assigned by ICRA Ltd. (an Associate of Moody's Investors Service) for the Company's commercial paper/ short-term debt programme of ₹ 2,500 lacs (outstanding – ₹ Nil). The rating indicates highest credit quality for short term instruments.
2. IND "A1+(ind)" (A one plus (ind)) 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.

ICRA has assigned 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 indicates high credit quality rating to long term debt instruments. ICRA also assigned ICRA A1+ (ICRA A one plus) (short term rating) for the said limits. The rating indicates highest credit quality rating assigned by ICRA to short term instruments and carries the lowest credit risk.

SUBSIDIARY AND ASSOCIATE COMPANY

The audited Statements of Accounts for the year ended March 31, 2014 of Concorde Air Logistics Ltd., the Company's Wholly-owned Subsidiary, together with the reports of Directors and Auditors, as required pursuant to the provisions of Section 212 of the Companies Act, 1956, are attached.

The Consolidated Financial Results represent those of Blue Dart Express Limited and its Wholly-owned Subsidiary viz; Concorde Air Logistics Ltd. and of Associate Company viz; Blue Dart Aviation Ltd. to the extent of 49% shareholding of Blue Dart Express Ltd. into Blue Dart Aviation Ltd. The Company has consolidated its results based on the Accounting Standard on Consolidation of Financial Statements (AS-21) and Accounting Standard on Accounting for Investments in Associates in Consolidated Financial Statements (AS-23) issued by the Institute of Chartered Accountants of India.

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

Your Company is in compliance with the SEBI norms on the minimum public shareholding of 25%. DHL Express (Singapore) Pte. Ltd. came out with an 'Offer for Sale (OFS)' to divest its shareholding from 81.03% to 75% which was successfully concluded in 2012.

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. 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 trade success for India and its trading partners.

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

OUTLOOK FOR THE FUTURE

Emerging markets and developing economies like India are doing relatively well as compared to advanced economies. This is notwithstanding the slowdown in the economy over the past few years.

The rapidly growing internet penetration and usage is the key growth driver of e-commerce in India. The Country has over 250 e-tailing portals. The Indian e-tailing market is estimated to grow at 52% CAGR till 2020¹. E-tailing contributes 50% of non-travel ecommerce in India and was estimated at Euro 1.3 billion² in 2013.

In terms of opportunities, the Company is putting all its efforts to further enhance its reach, explore a 'same day delivery' service and review 'cross border deliveries'.

Air Express remains the preferred option for reliability, speed and security given the nature of goods it transports. Ground Express also offers huge opportunities due to an increased affluence expanding to Tier II and III towns which are emerging as important nodes of production, consumption and distribution.

The growth of the industry is largely based on the general economic situation in the country and any upswing in economic activity would lead to an increase in domestic and international trade, creating incremental demand for the express industry.

The current logistics spend in India is relatively higher as compared to a notably lesser percentage in more developed countries which makes opportunities even more attractive. In order to meet and sustain the forecasted growth, the industry is likely to further invest in its infrastructure and systems.

Your Company is geared to face the challenges of 2014-2015. Your Directors look forward to improved performance over the coming years.

1. KPMG e-fulfillment study.
2. IAMAI

DIRECTORS' REPORT

AWARDS AND RECOGNITIONS

Our innumerable efforts in the pursuit of excellence were recognised through the year ended March 2014 and our position as an industry leader was re-iterated by the accolades received from several industry bodies and customers. Your Company won several awards to validate its Brand Equity and Leadership, Human Resource Philosophy, Operational Efficiency and Corporate Governance and it is heartening to note that numerous industry bodies and customers validate our stupendous efforts.

Efforts made by your Company gained wide recognition. Blue Dart is benchmarked to international standards and has won several brand leadership awards viz; Master Brand Award by 4th Master brand Awards 2013, Brand Excellence Award in the FMCG (Logistics) Sector by ABP Brand Excellence Award 2013, Award for Brand Excellence in Supply Chain and Logistics Sector by 4th CMO Asia Awards for Branding and Marketing 2013, ranked 10th amongst top 100 'Best Companies to Work for in India 2013' – Great place to Work Institute and 1st in the transport Industry.

Mr. Anil Khanna, Managing Director, was conferred with the 'Most Valuable CEO' by Business World Magazine, Super Boss of the year, 2013, Life Time Achievement Award by 7th Express, Logistics and supply Chain Conclave 2013, CEO of the year by Asian Leadership Awards 2013.

Mr. Yogesh Dhingra, CFO & COO, was conferred with the Asia's Best CFO Award by 4th CMO Asia Awards for Branding and Marketing 2013, Responsible Business Leader by Responsible Business Awards 2013, Best CFO of an MNC (Mid – sized companies) by 4th Business Today and Yes Bank CFO Award 2013.

Your Company was voted a "Superbrand", seventh time in a row and for the seventh consecutive year, your Company became a recipient of the Reader's Digest Most Trusted Brand Award.

DIRECTORS

During the year under review, Mr. Jerry Hsu, CEO, DHL Express Asia Pacific and a nominee of DHL Express (Singapore) Pte. Ltd. tendered his resignation as a Director with effect from March 25, 2014. The Board accepted his resignation and placed on record, its sincere appreciation and thanks for his valuable contribution during his tenure as a Director. Consequently, Mr. George Berczely, an Alternate Director to Mr. Jerry Hsu, ceased to be a Director with effect from March 25, 2014 under the statutory provisions of the Companies Act, 1956. The Board placed on record, its sincere appreciation and thanks for his valuable contribution during his tenure as an Alternate Director.

In accordance with the provisions of the Companies Act, 1956, 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.

COMPANIES ACT, 2013

The Ministry of Corporate Affairs has made a major part of the provisions of the Companies Act, 2013 effective April 1, 2014. The new Companies Act, 2013 aims at enhanced disclosures and reporting for the Corporate sector with numerous compliance requirements. The new Act is a positive step towards strengthening the corporate governance regime in the country.

Your Company is geared to implement and comply with the new requirements of law. As a beginning towards this, your Company constituted and re-aligned various Committees of the Board of Directors in accordance with the Provisions of Companies Act, 2013 as under :

AUDIT COMMITTEE

The Audit Committee comprises three Non-Executive Directors, viz; Mr. Sharad Upasani, Mr. Malcolm Monteiro and Mr. Suresh 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 Clause 49 of the Listing Agreement pertaining to corporate governance norms. In the meeting of the Board of Directors of the Company held on May 9, 2014, the Board of Directors enhanced the terms of reference and scope and functioning of the Audit Committee to align with the new requirements of the Companies Act, 2013 and Listing Agreement norms.

Mr. Anil Khanna, Managing Director; Mr. Yogesh Dhingra, Chief Financial Officer & Chief Operating Officer; the Statutory Auditors and the Internal Auditor are the permanent invitees to the Audit Committee Meetings.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As a progressive and pro-active compliance to the requirements of Companies Act, 2013, 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.

Mr. Yogesh Dhingra, CFO and COO is permanent invitee to the CSR Committee of the Board.

NOMINATION AND REMUNERATION COMMITTEE

In compliance with the provisions of Companies Act, 2013, your Company re-aligned its existing 'Compensation Committee' as 'Nomination and Remuneration Committee' with an enhanced scope and functions as stipulated under the new law. The Nomination & Remuneration Committee of the Company comprises of Mr. Suresh Sheth as Chairman of the Committee and Mr. Sharad Upasani and Mr. Malcolm Monteiro as members of the Committee.

DIRECTORS' REPORT

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

CHANGE OF FINANCIAL YEAR

As a pro-active compliance to the provisions of New Companies Act, 2013, your Company had changed its accounting/financial year from 31st December to 31st March in the previous year 2013 itself.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that;

- (i) In the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures; 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 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; and
- (iv) They have prepared the annual accounts on a going concern basis.

LISTING ARRANGEMENT

The Company's Equity Shares are listed on The BSE Ltd. and National Stock Exchange of India Ltd. (NSE). The Company has paid its Annual Listing fees to the above stock exchanges for the Financial Year 2014-2015.

CORPORATE GOVERNANCE

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

of Corporate Governance practices and has implemented all the stipulations as prescribed.

Your Company believes that Corporate Governance is the application of 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.

Good corporate governance is a culture and a climate of Consistency, Responsibility, Accountability, Fairness, Transparency and Effectiveness that is promoted throughout the organisation. Good governance cannot be mandated; it should flow within the organisation and should integrate with the corporate culture. This not only helps make the world better and more sustainable, but it also reflects good business sense.

A section on Corporate Governance, along with a certificate from the Auditors confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s) 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 provisions of the Listing Agreement 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, 2014. The said certificate forms an integral part of the Annual Report.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits under the provisions of Section 58A of the Companies Act, 1956.

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 Twenty Third 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.

DIRECTORS' REPORT

HUMAN RESOURCE DEVELOPMENT

HUMAN RESOURCES: STRATEGY IN LINE WITH BUSINESS

Employees are the backbone of any good organisation. Our employees continue to be our core strength and we continue to focus on enhancing and developing their capabilities.

Your Company has been built on the foundation of 'People First' philosophy, resulting in it being recognised as one of India's top 10 amongst the Best Companies To Work For and No. 1 in the transport industry in a study conducted by Great Places To Work Institute, India in collaboration with The Economic Times.

This 'Employer of Choice' position is a result of an overwhelmingly people-focused vision. Your Company views HR (Human Resources) function as the support system for its business growth and as a crucial value addition towards meeting organisational goals through proactive business partnership.

Organisation Health and Employee Motivation and Morale

In the year 2013, 99% of eligible employees participated in the annual Employee Satisfaction Survey (ESS). The mean satisfaction score for the year 2013 is 4.60. 'Pride for Working in Blue Dart' continues to rank highest with a score of 4.80 and 'My future in Blue Dart' scored 4.68. Besides the above, few other parameters such as 'Job secured with good performance', 'BDE does a good job for customers' and 'Working in BDE is good for me', have also ranked high.

The high score on "Pride for working in Blue Dart" (96%), Employee engagement score (94.55%) and Active Leadership by Managers (93.89%) reflects very good organisational health, employee commitment, motivation and morale the key drivers of customer satisfaction, organisational excellence which continues to position Blue Dart as one of the top 10 best companies to work for.

Building a stronger Employer of Choice brand Performance Appraisal

Motiv-8, the online performance management is used to assess the performance and potential for all executive personnel in terms of their key result areas, competency framework and manager's recommendation on the individual developmental plan (IDP) for their career growth. The appraisals for the assessment period of January-December 2013 were successfully concluded 'online' covering around 2500 executives. The key talent retention rate in 2013 stood at 97%, reflecting an improvement over the year 2012 where the overall retention rate was 86%.

Management Trainee Programme

35 Management Trainees were inducted into the company to strengthen future leadership preparedness in sales and operations and were successfully absorbed in the company in January 2013 post completion of their training. They were assigned various operational and

revenue roles with an overall retention rate of 80%. The Management has received good feedback about their performance and assimilation in the organisational culture. The Company continues to groom and nurture them with regular review, guidance and mentoring support.

Blue Dart Mentoring Programme

The Company's senior management and key managers continues to drive the mentoring initiatives for the management trainees and other new recruits especially in key roles and handhold them for all-round exposure and perspective about the company's functioning, culture and values. The mentoring initiatives enhance comfort level, remove apprehensions and difficulties faced by the new entrant and create a culture of continuous learning and development which in turn will result in employee retention and engagement.

The above is being actualized through the pool of Mentors created which included Managers, Senior Managers, Vice Presidents, Senior Vice Presidents and the Managing Director.

Training and Development

The Company recorded an average of around 2 training man days.

Some of the Key Soft Skill Training and Technical Trainings conducted for the employees were:

- Delivering Smiles, the service spirit
- Dangerous Goods and Radioactive – Train the Trainer
- Counter Handling
- Dangerous Goods Regulation
- Fire Fighting and Security
- Package Handling
- Personal Effectiveness
- Products
- Effective Business Communication
- Time Management
- Effective Presentation Skills
- Conflict Management

Your Company conceptualized and introduced an integrated "New Age Leadership development programme" structured around 3 levels i.e. Prarambh (Supervisory Development), Neev (Front Line OPS Executive Development) and Uddan (Managers Development) in 2013. Prarambh-a 2 day intensive training programme for supervisory development was launched through "Train the Trainer model". Of the 900 Operation supervisors, 482 have already been trained in 2013.

DIRECTORS' REPORT

In order to continuously develop customer service capability, Magic of Service Excellence, a customised programme for Blue Dart customer service contact center executives was conducted covering 130 executives.

Employee Communication

To communicate, share and align employees on organisational plans, business performance, policies, processes, initiatives and strategies for the future, the Team Briefing sessions by the Managing Director with the Senior Management Team were held periodically. 10 Team Brief sessions were held in the year 2013. This initiative was very well received by the employees.

To further re-inforce the communication, HR conducts Open House sessions for front line staff on regular basis. The open house sessions are conducted every quarter at all the locations and service centers of Blue Dart. These open house sessions allow employees to express their concern areas which affect their work life, morale and motivation for solution/clarification. A total of 405 Open Houses were conducted in the year 2013.

Culture Building

The Company continues to invest in enhancing and spreading a strong service culture. All efforts were put in to ensure that employees see value in the brand through manifestations in areas like equity in rewards, reliable, caring and impartial management. On a continuous and regular basis, employees also participated in various employee engagements around festivals, national events, sports, talent contest etc.

Employee Recognition

7 employees were conferred the Employee of the Year award for their outstanding performance while 3 employees were conferred the Outstanding Sales Performer award. 1024 employees were awarded the on-the-spot Bravo award by individual managers for excellent work. 21 employees were awarded the prestigious Super Darter award for achievements beyond the call of duty. The Company is proud that 754 Blue Darters joined the True Blue club, on completion of 5 years of service.

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 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, 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 are annexed hereto as Annexure "A" 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.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Living Responsibility

Living Responsibility or in common parlance 'Corporate Responsibility' is a core element of Blue Dart's corporate strategy. As a socially responsible corporate, Blue Dart's commitment towards community causes has been unwavering since its inception in 1983. Blue Dart, as a responsible corporate citizen believes that giving back to society is not just a 'corporate social responsibility', but is 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's (DP DHL) 'Living Responsibility', Blue Dart takes its responsibility to society, communities, employees and the environment seriously. Under this credo, Blue Dart (along with DP DHL) focuses its corporate responsibility on environmental protection (GoGreen), disaster management (GoHelp) and championing education (GoTeach).

Under GoTeach platform, the flag bearer is the 'Blue Edge: Empowering Lives' programme, a 6-month program aimed at enriching the lives of young adults from difficult environments, who have not been able to complete their education. This life-transforming initiative has helped in impacting young adults from the underprivileged sections of society. The program saw completion of the 12th and 13th batches in Mumbai and 4th and 5th batch in Chennai in 2013. The 14th and 6th batches in Mumbai and Chennai respectively are currently underway. Over 715 young adults have been through this effective intervention programs dealing with english speaking ability, life skills, customer orientations and computer skills which has helped them break the chains of poverty and unemployment, by providing the much needed edge of education in this competitive world.

Strengthening Blue Dart's association with Teach for India, this year Blue Dart hosted 39 students aged between 10 to 12 years from Teach For India-supported Shivner Vidya Mandir, Mumbai who were given a once-in-a-lifetime opportunity to visit the Blue Dart (HQC) followed by a drawing competition on the theme of 'The India of my Dreams'. The students interacted with the Senior Management Team (SMT) and employees to familiarise themselves with the corporate culture and gain a view of a workplace environment, an opportunity which is rarely bestowed on them.

As part of its Power Saver-Lights Off initiative under GoGreen, Blue Dart continued with its practice of switching lights off for an hour every month across all its offices in India. This year too Blue Dart observed Earth Day, World Environment Day and Earth Hour. This year, 654 Blue Darters pledged to switch off all lights at their homes for an hour on March 29, 2014, the highest ever record number of pledges taken by Blue Darters for Earth Hour.

Under GoHelp, Blue Dart joined hands with Urja Foundation and Dr. Harivansh Rai Bachchan Memorial Trust as the Official Logistics Partner for providing solar powered lights to around 3000 homes across India. Anil Khanna, Managing Director was felicitated by Amitabh Bachchan at an event in Mumbai for partnering towards the noble cause of electrifying rural India.

Blue Dart provided free of cost (FOC) support to various NGOs and logistics support to Phailin cyclone victims and Uttarakhand flood victims.

Blue Dart also partnered with Pinkathon where women employees participated in the Women's 10 km, 5 km & 3 km run, an initiative aimed to raise awareness for women's health and breast cancer, educate women about its prevention and treatment. Other partners were Women's Cancer Initiative and Tata Memorial Hospital.

On February 18, 2014, Blue Dart successfully organised the 3rd Blue Dart World CSR Day and Global CSR Excellence & Leadership Awards in Mumbai. The event was graced by the Chief Guest Dr. Bhaskar Chatterjee, Director General & CEO, Indian Institute of Corporate Affairs. The event was well attended by leading organisations like Sanofi, KPMG, Hewlett Packard, CRY, Indian Institute of Corporate Affairs, NGOs and sustainability champions from across the globe, including representatives from the United Nations Organisation.

In addition to this, Blue Dart also conducted various volunteering initiatives during Global Volunteer Day (GVD) 2013. Over 8,394 volunteers from Blue Dart, DHL Express, DHL Supply Chain and DHL Global Forwarding joined hands to make a difference during GVD 2013, showcasing exemplary unity in spirit, vision and purpose. 3,145 X BU volunteers across India supported the plantation of a staggering 9,114 saplings with Grow-Trees.com (official partner of the United Nations Environment Program's Billion Tree Campaign and WWF's Cities for Forests Campaign) in the periphery of Sundarbans National Park, West Bengal. Apart from this, 266 X BU volunteers participated in sapling plantation drives carried out in various parts of the country. 2,215 X BU volunteers across 18 cities in India donated blood to save lives. 2,541 X BU Volunteers also donated essential utilities, medicines, lake cleaning and sponsoring meals at various children's / old age homes and creating traffic awareness amongst citizens. 227 X BU volunteers across the country invested time in the lives of over 2,000 children through activities such as story reading sessions, quiz sessions, drawing competitions and talk on health and hygiene.

ACKNOWLEDGEMENT

The Board of Directors wishes to express its sincere appreciation and thanks to all customers, suppliers, banks, financial institutions, solicitors, advisors, Government of India, concerned State Governments and other authorities for their consistent support and co-operation in contributing to Organisation'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.

In these trying times, the enthusiasm and unstinting efforts of employees enabled your Company to remain a leading player in the Express Industry.

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

Anil Khanna
Managing Director

Malcolm Monteiro
Director

Suresh Sheth
Director

Mumbai,
June 21, 2014

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE 'A'

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

- A. Conservation of Energy : Not applicable
- B. Technology Absorption : Not applicable
- C. Foreign Exchange Earnings & Outgo :

Earnings in Foreign Currency

Earnings in foreign currency during year ended March 31, 2014 were ₹ 3,301 (lacs) [previous fifteen months: ₹ 3,558 (lacs)]

Expenditure in Foreign Currency

Expenditure in foreign currency during year ended March 31, 2014 was ₹ 250 (lacs) [previous fifteen months: ₹ 308 (lacs)]

REPORT ON CORPORATE GOVERNANCE

1. Blue Dart's philosophy on Corporate Governance

The basic philosophy of Corporate Governance at Blue Dart is to achieve business service excellence and to create and enhance value for its Shareholders, Customers, Employees, Society and Business Associates thereby making a significant contribution to the economy. Since inception, Blue Dart has inculcated and maintained a strong culture of values, ethics and integrity.

Companies who have demonstrated adherence to corporate governance in spirit, more than letter, have reaped the benefits. Corporate Governance is the mechanism by which the values, principles, policies and procedures of the Organisation are inculcated and manifested. The essence of good corporate governance lies in promoting and maintaining integrity, transparency and accountability across the organisation.

For Blue Dart, Corporate Governance is a continuous journey, seeking to provide an enabling environment to harmonise the goals of maximising stakeholder value and maintaining a customer-centric focus. Blue Dart has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide management with the strategic direction needed to create long-term shareholders' value. Effective and transparent corporate governance guarantees that Blue Dart is managed and monitored in a responsible manner focused on value creation.

The Board of Directors of the Company continues to accord the highest priority to adherence of 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 under review, Mr. Jerry Hsu, resigned as a Director with effect from March 25, 2014. Consequently, Mr. George Berczely, an Alternate Director to Mr. Jerry Hsu, ceased to be a Director with effect from March 25, 2014 under the statutory provisions of the Companies Act, 1956.

In accordance with the provisions of Companies Act, 1956 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.

Mr. Monteiro was Managing Director of Blue Dart Express Ltd. during the period viz; March 13, 2006 to February 21, 2007 and led

Organisation's commendable performance during the same period. He possesses over 21 years of experience in various functions of Blue Dart. Mr. Malcolm Monteiro is credited with setting up of much acknowledged 'Track and Trace' System & ERP System (COSMAT 2) as well as Aviation 'Space Management' System (SMART) amongst other cutting edge technologies. He was the prime mover in re-launch of Blue Dart's website, www.bluedart.com - quick responsive, interactive e-Business solutions site and he also contributed towards building of an extensive, secured countrywide IT network.

Mr. Monteiro was primarily responsible in developing committed and trained human resources resulting into highly reliable operations and unmatched service excellence which were major contributors in making Blue Dart an undisputed Market Leader in the Domestic Express Industry.

Mr. Monteiro holds a post-graduate degree in Management from IIM, Ahmedabad and is a graduate in an Electrical Engineering from IIT, Mumbai, both of which are world-renowned top ranking institutions in their respective fields.

Directorship in Other Companies

1. DHL Global Mail (Singapore) Pte. Ltd.
2. DHL Global Mail (Hong Kong) Ltd.
3. Deutsche Post Global Mail (Australia) Pty. Ltd.
4. Just Dial Ltd.

Mr. Malcolm Monteiro, Director is a member of the Audit Committee and Nomination & Remuneration Committee of Just Dial Limited and Member of the Audit Committee, Nomination & Remuneration Committee and CSR Committee of Blue Dart Express Limited. Besides this, he is not a member of any other Committees as contemplated under the provisions of Clause 49 of the Listing Agreement and do not hold any shares in the Company.

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

As on March 31, 2014, composition of the Board of Directors comprises of one Executive Director and four Non-Executive Directors. 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 an 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 the Independent Directors, following policy is adopted by the Board:

- 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.

REPORT ON CORPORATE GOVERNANCE

- iii) In the 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 above 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 provisions of the Companies Act, 2013.

Board Independence

Our definition of 'Independence' of Directors is derived from Clause 49 of the Listing Agreement with Stock Exchanges 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 and Mr. Suresh Sheth, Director are Independent in terms of the provisions of Clause 49 of the Listing Agreement and Section 149(6) of the Companies Act, 2013.

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 Annexure I A to the provisions of Clause 49 of the Listing Agreement 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 Agreements entered into with the Stock Exchanges.

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 2, 2013, July 23, 2013, September 24, 2013, October 15, 2013, December 10, 2013 and February 5, 2014.

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	2	Nil	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	3	Nil
Mr. Clyde Cooper	Non-Independent & Non-Executive Director	Director	3	No	1	1	Nil
Mr. Suresh G Sheth	Independent & Non-Executive Director	Director	6	Yes	2	Nil	Nil
Mr. Jerry Hsu *	Non-Independent & Non-Executive Director	Director	Nil	No	Nil	Nil	Nil
Mr. George Berczely **	Non-Independent & Non-Executive Director	Alternate Director	5	No	Nil	Nil	Nil

Notes :

- *1) Mr. Jerry Hsu, CEO, a Nominee Director of DHL Express (Singapore) Pte. Ltd, resigned as a Director of the Company with effect from March 25, 2014.
- **2) Consequent to resignation of Mr. Jerry Hsu as a Director with effect from March 25, 2014, Mr. George Berczely, an Alternate Director to Mr. Jerry Hsu, ceased to be a Director with effect from March 25, 2014.
- 3) The Directorships held by Directors as mentioned above, includes Directorships in the Private Limited Companies and Companies registered under Section 25 of the Companies Act, 1956, but do not include Directorships in Foreign Companies.

REPORT ON CORPORATE GOVERNANCE

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 two Independent Non-Executive Directors, viz. Mr. Sharad Upasani and Mr. Suresh 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, Chief Financial Officer & Chief Operating Officer; the Statutory Auditors and the Internal Auditor are the permanent invitees to the Audit Committee Meetings.

The powers, role and terms of reference of the Audit Committee are in accordance with the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges and Section 292A of the Companies Act, 1956.

Pursuant to the provisions of Section 177 of the Companies Act, 2013 which is notified and effective from April 1, 2014, the Board of Directors of the Company in its meeting held on May 9, 2014 enhanced terms of reference and scope of the Audit Committee to align with the new requirements of Companies Act, 2013 and amended norms of Listing Agreement.

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

1. Oversight of the Company's financial reporting process and the 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 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. Qualifications 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 the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with 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 the performance of statutory and internal auditors, an adequacy of the internal control systems;
13. Reviewing the 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 the 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;

REPORT ON CORPORATE GOVERNANCE

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 the functioning of 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 mentioned in the terms of reference of the Audit Committee.

The Audit Committee of the Company meets and interacts at least twice a year 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, eight Audit Committee Meetings were held, viz; May 2, 2013, July 23, 2013 (two meetings, one of which was with the Senior Management of the Company), October 15, 2013 (two meetings), December 10, 2013 and February 5, 2014 (two meetings, one of which was with the Senior Management of the Company).

The constitution of the Audit Committee and other related information as on March 31, 2014, is as under:

Names of Director	Position	No. of Meetings	
		Held	Attended
Mr. Sharad Upasani	Chairman	8	8
Mr. Suresh G Sheth	Member	8	8
Mr. Malcolm Monteiro	Member	8	6

4. Nomination and Remuneration Committee

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

The Board of Directors at its meeting held on February 5, 2014 approved constitution of 'Nomination and Remuneration Committee' (by re-aligning/ renaming existing Compensation Committee) under the Companies Act, 2013 The 'Nomination and Remuneration Committee' comprises two Independent Non-Executive Directors viz. Mr. Suresh Sheth and Mr. Sharad Upasani, and a Non-Independent and Non-Executive Director,

Mr. Malcolm Monteiro. The Committee is chaired by Mr. Suresh Sheth, Director.

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

The details of attendance of each Member at the Nomination and Remuneration Committee Meeting held during the year ended March 31, 2014 are as under:

Names of Director	Position	No. of Meetings	
		Held	Attended
Mr. Suresh G Sheth	Chairman	1	1
Mr. Sharad Upasani	Member	1	1
Mr. Malcolm Monteiro	Member	1	1

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

The terms of reference of 'Nomination and Remuneration Committee' inter-alia includes :

- i) To identify persons who are qualified to become directors and who may be appointed in the senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and to carry out evaluation of every Director's performance.
- ii) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Board of Directors of the Company at its Meeting held on October 14, 2003, decided to pay sitting fees of ₹ 20,000/- per meeting to the Non-Executive Directors for each meeting of the Board, Audit Committee and Nomination and Remuneration Committee attended by them. The Board of Directors of the Company at its Meeting held on May 9, 2014, further decided to pay sitting fees of ₹ 20,000/- per meeting to the Non-Executive Directors for each meeting of the Corporate Social Responsibility (CSR) Committee. DHL nominated Directors do not accept any sitting fees as per their internal guidelines.

In terms of the provisions of Clause 49 of the Listing Agreement, 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 and Mr. Suresh Sheth, who are Independent Directors on the Board of the Company.

REPORT ON CORPORATE GOVERNANCE

Mr. Sharad Upasani, the Independent Director, holds a Masters in Commerce and an LLB degree from the Mumbai University, besides an MBA degree from USA.

Mr. Upasani was Chairman, Company Law Board and retired as Chief Secretary, Government of Maharashtra. He is now a consultant on Corporate Law and acts as an Arbitrator in corporate disputes.

Mr. Suresh 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 43 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.

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. For their valuable contribution by way of advice for various project works from time to time, the Company pays a commission to Mr. Sharad Upasani and Mr. Suresh Sheth, 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, 1956.

During the period, the Company paid commission to Mr. Sharad Upasani and Mr. Suresh Sheth, Non-Executive Directors, aggregating to ₹ 25 lacs for the fifteen months period ended March 31, 2013.

The Compensation Committee (now reconstituted as Nomination and Remuneration Committee) Meeting of the Company was held on May 2, 2013.

In terms of Agreements executed with the Company, Mr. Anil Khanna, has been appointed as Managing Director of the Company with effect from February 21, 2012 to February 20, 2015 and details of terms of remuneration paid/ payable to the Managing Director are as under:

1 a) Mr. Anil Khanna, Managing Director

(with effect from April 1, 2013 to March 31, 2014)

Basic	- ₹ 8.18 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 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 an unavailed leave at the end of each year.
- (iv) Re-imbursment 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 for the calendar year ended December 31, 2013, upto a maximum of ₹ 75 lacs, as may be decided by the Board of Directors from time to time.
- (x) Increment for each year shall be determined by the 'Nomination and 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 the Managing Director, if in any financial year, the Company does not earn any profits or earns inadequate profits as contemplated under the provisions of Schedule XIII of the Companies Act, 1956, unless otherwise approved by such Statutory Authority, as may be required, remuneration shall be paid as per the conditions and monetary ceiling prescribed in Schedule XIII to the Companies Act, 1956, or any re-enactment thereof.

1 b) Mr. Anil Khanna, Managing Director

(with effect from April 1, 2014 to February 20, 2015)

Basic	- ₹ 12.35 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

REPORT ON CORPORATE GOVERNANCE

In addition to above amount, Mr. Anil Khanna shall be entitled to 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 an 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 for the calendar year ended December 31, 2014, upto a maximum of ₹ 75 lacs, as may be decided by the Board of Directors from time to time.
- (x) Increment for each year shall be determined by the 'Nomination and 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 the Managing Director, if in any financial year, the Company do not earn any profits or earns an inadequate profits 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 the Managing Director is six months notice or payment of six months' salary in lieu thereof.

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

The 'Nomination and Remuneration' Committee of Directors 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 a sitting fees and commission except DHL- nominated Directors 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. Stakeholders Relationship Committee

The Board of Directors had at its meeting held on February 5, 2014 approved constitution of 'Stakeholders Relationship Committee' (by re-aligning/ renaming existing Investors Grievance Committee) under the New Companies Act, 2013 consisting of Mr. Suresh Sheth as Chairman and Mr. Anil Khanna as member of the Committee.

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

The Committee consists of Mr. Suresh Sheth, Non-Executive Director, acting as Chairman of the Committee and Mr. Anil Khanna, Managing Director.

Mr. Tushar Gunderia, Company Secretary, has been designated as Compliance Officer under the provisions of the Listing Agreements entered into with the Stock Exchanges.

During the period under review, 241 correspondences were received from the investors. These include 7 complaints received and disposed off during the year ended March 31, 2014. All Investors correspondence were attended expeditiously. There were no investors' complaints pending as on March 31, 2014.

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, 2014.

REPORT ON CORPORATE GOVERNANCE

The details of Investors' Correspondence received during the year ended March 31, 2014 were as under:

Nature of Correspondence	No. of Correspondence received	No. of Correspondence resolved/attended
Revalidation / Duplicate / Non-Receipt of Dividend Warrants	62	62
Non-Receipt of Share certificates / Transfers / Transmissions	18	18
Change of Address	46	46
Request for loss / duplicate/ replacement of Share Certificates	34	34
Others*	81	81
Total	241	241

*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, 2014.

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

In accordance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company has formulated, adopted and implemented 'Blue Dart Code of Conduct for Prevention of Insider Trading' and 'Code for Corporate Disclosure Practices' and it is strictly adhered to by all the designated personnel notified for the purpose of application of the aforesaid Codes.

The Stakeholders Relationship Committee monitors compliance of the provisions of 'Blue Dart Code of Conduct for Prevention of Insider Trading' and 'Code for Corporate Disclosure Practices'.

6. Unclaimed Dividend/Shares

Pursuant to the provisions of the Companies Act, 1956, (now Companies Act, 2013) dividends which are unclaimed for a

period of seven years statutorily get transferred to the Investors Education and Protection Fund (IEPF) administered by the Central Government and thereafter cannot be claimed by investors. In order to ensure maximum disbursement of an unclaimed dividend, the Company sends periodic reminders to the concerned shareholders prior to transfer of dividend to the IEPF. As on date, the Company has transferred an 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 and December, 2006 to "The Investors Education and Protection Fund" established by the Central Government. All Members who have either not received or have not yet encashed their dividend warrant(s) for the financial year December 2007 till the year ended March 31, 2014 are requested to write to the Company's Registrar and Share Transfer Agent for obtaining duplicate dividend warrant without any further delay.

In accordance with the provisions of Clause 5A (II) of the Listing Agreement, the Company has dematerialized and transferred 12,602 nos. of unclaimed equity shares pertaining to 119 shareholders in favour of "Blue Dart Express Ltd. – Unclaimed Suspend Account" maintained with the Stock Holding Corporation of India Ltd. During the year, Company received one request from the shareholder for credit of 100 shares in his account and Company transferred shares in his favour. As on March 31, 2014, 12,502 (twelve thousand five hundred and two) unclaimed equity shares pertaining to 118 shareholders are in dematerialized mode with the Stock Holding Corporation of India Ltd. The voting rights on these equity shares retained as outstanding in the suspense account as on March 31, 2014 would remain frozen till the rightful owner of such shares claim these shares.

7. Corporate Social Responsibility Committee

As a progressive and pro-active compliance to the requirements of Companies Act, 2013, the Company has constituted a Corporate Social Responsibility (CSR) Committee on February 5, 2014. The CSR Committee of the Company comprises of Mr. Sharad Upasani as the 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 and COO.

The role of Corporate Social Responsibility (CSR) Committee is as follows :

- 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 the activities undertaken.

REPORT ON CORPORATE GOVERNANCE

- iii) To constitute Management Committee for implementation and execution of CSR initiatives/ activities.
- iv) reviewing performance of the Company in the area of CSR.
- v) Monitoring CSR Policy of the Company from time to time.

8. 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
December 31, 2010	Tuesday 26.04.11	4:30 p.m.	Hotel Hilton Mumbai International Airport, Sahar Airport Road, Andheri (East), Mumbai – 400 099.
December 31, 2011	Tuesday 24.04.12	3:30 p.m.	Hotel Hilton Mumbai International Airport, Victoria Suite, Sahar Airport Road, Andheri (East), Mumbai – 400 099.
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.

- b) All the resolutions set out in the respective Notices were passed by the Members. No Postal Ballot was conducted during the period under review. None of the resolutions are proposed to be passed by the Postal Ballot method.

c) Court Convened Meeting of Equity Shareholders :

A Court Convened Meeting of Equity Shareholders of the Company was held on June 13, 2014 at 10.00 a.m. at Hotel Hilton Mumbai International Airport, Sahar Airport Road, Andheri (East), Mumbai – 400 099, in terms of the Order dated May 2, 2014 of the Hon'ble High Court of Judicature at Bombay, for obtaining approval from the Shareholders of the Company in respect of the Scheme of Arrangement for issue of unsecured, redeemable, non-convertible, fully paid up bonus debentures of Blue Dart Express Ltd. At the meeting the proposed resolution was passed with requisite majority.

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

At the Annual General Meeting held on April 26, 2011:

To approve mode of payment of remuneration to Non-Executive Directors of the Company in the form of commission for a period of five years from August 1, 2011.

At the Annual General Meeting held on April 24, 2012:

No Special Resolution was passed.

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

No Special Resolution was passed.

9. Subsidiary Company

The Company do not have any material non-listed Indian subsidiary Company whose turnover or net worth (i.e. paid-up Capital and Free Reserves) exceed 20% of the consolidated turnover or Net Worth of the Company and its subsidiary in the immediately preceding accounting year.

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

- The Financial Highlights of the unlisted subsidiary company are reviewed by the Audit Committee of the Company.
- The Minutes of the Board Meetings of the subsidiary company are placed before the Board Meeting of the Company.
- The details of any significant transactions and arrangements entered into by the unlisted subsidiary company are placed before the Board of the Company.
- The Company has its Senior Management personnel on the Board of Directors of its subsidiary company.

10. Disclosures

Transactions with the 'related parties' as per the requirements of the Accounting Standard 18 on "Related Party Disclosures" have been disclosed elsewhere in the Annual Report.

Financial statements of the Company are prepared in compliance with Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

REPORT ON CORPORATE GOVERNANCE

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

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.

11. 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 have been our people who are guided by the Company's "Guiding Principles".

The Board of Directors of the Company 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 the goodwill of its customers and enhance its reputation.

All the Board Members and members of Senior Management have affirmed compliance with the provisions of "Code of Conduct" for the year ended March 31, 2014. A certificate from Mr. Anil Khanna, Managing Director confirming compliance on 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, 1992, as amended, the Company has adopted "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 an unpublished price-sensitive information relating to the Company.

12. Auditor's Certificate on Corporate Governance

As required by the provisions of Clause 49 of the Listing Agreement, the Auditor's Certificate is given as an Annexure to the Directors' Report.

13. CEO and CFO Certification

As required by Clause 49 V of the Listing Agreement, the CEO and CFO certification on Financial Statements, Cash Flow Statement and Internal Control Systems for financial reporting for the year ended March 31, 2014, has been obtained from Mr. Anil Khanna, Managing Director and Mr. Yogesh Dhingra, Chief Financial Officer and Chief Operating Officer and it has been incorporated in the Company's Annual Report.

14. 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, 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 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. The Company do not have a system of intimating shareholders individually about financial results, but, queries if any, are replied to, immediately.

The Company also uploads "Investors Presentation" on the Company's website viz; www.bluedart.com on a quarterly basis.

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

REPORT ON CORPORATE GOVERNANCE

15. Details of compliance with mandatory requirements and adoption of non-mandatory requirements

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement with the Stock Exchanges and compliance with the non-mandatory requirements of clause 49 is as detailed hereunder:

1. The Company has in place Nomination and Remuneration Committee, details of which are provided in this Report under section viz; "Nomination and Remuneration Committee".
2. The Company always endeavours to present an unqualified financial statements. There are no audit qualifications in the Company's financial statements for the period under review.
3. 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.

4. Directors attend training programmes/ conferences on relevant subject matters and keep themselves abreast of the latest corporate, regulatory and industry developments.
5. Directors are completely briefed on all business related matters, risk assessment and new initiatives proposed to be adopted by the Company.
6. The Company is committed to maintaining the highest standards of integrity, transparency and accountability. It acknowledges that each employee of the Company has a key role to achieve Organisational goals. Hence, it is Policy of the Company to encourage employees to report on any grievances or concerns to the Company Management, as and when they have any reasons to suspect or question certain practices.

The Company has in place the "Grievance Redressal Program" (GRP). The GRP can be availed by all the employees. The GRP affirms an employee's right to appeal on any issue through a process of a systematic review by progressively higher levels of Management. This process guarantees that any grievance or issue raised by an employee is reviewed and addressed and results into a decision on the grievance raised in accordance with the guidelines and processes prescribed. No personnel of the Company has been denied an access to the Audit Committee.

In the meeting of the Board of Directors of the Company held on June 11, 2014, the Company has adopted a 'Whistle Blower Policy' as contemplated under the provisions of New Companies Act, 2013. The Company is in the process of institutionalizing and operating of Whistle Blower mechanism within the Organisation.

REPORT ON CORPORATE GOVERNANCE

16. General Shareholders Information

Annual General Meeting : Wednesday, July 23, 2014 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**

Financial Calendar (tentative and subject to change)	Schedule of Board Meetings	Date
	First Quarter ending June 30, 2014	July 23, 2014
	Second Quarter & Half-year ending September 30, 2014	October 15, 2014
	Third Quarter ending December 31, 2014	January 28, 2015
	Last Quarter & Year ending March 31, 2015	May 8, 2015

Financial Calendar (tentative and subject to change)	Schedule of Audit Committee Meetings	Date
	First Quarter ending June 30, 2014	July 23, 2014
	Second Quarter & Half-year ending September 30, 2014	October 15, 2014
	Third Quarter ending December 31, 2014	January 28, 2015
	Last Quarter & Year ending March 31, 2015	May 8, 2015

Book Closure period July 16, 2014 to July 23, 2014 (both days inclusive)

Dividend Payment Date : July 25, 2014

Listing on Stock Exchanges : 1. BSE Limited.
2. The National Stock Exchange of India Limited.

(The Company has paid its Annual Listing fees to the above Stock Exchanges for the Financial Year 2014-2015)

Stock market Performance

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

ISIN : INE233B01017

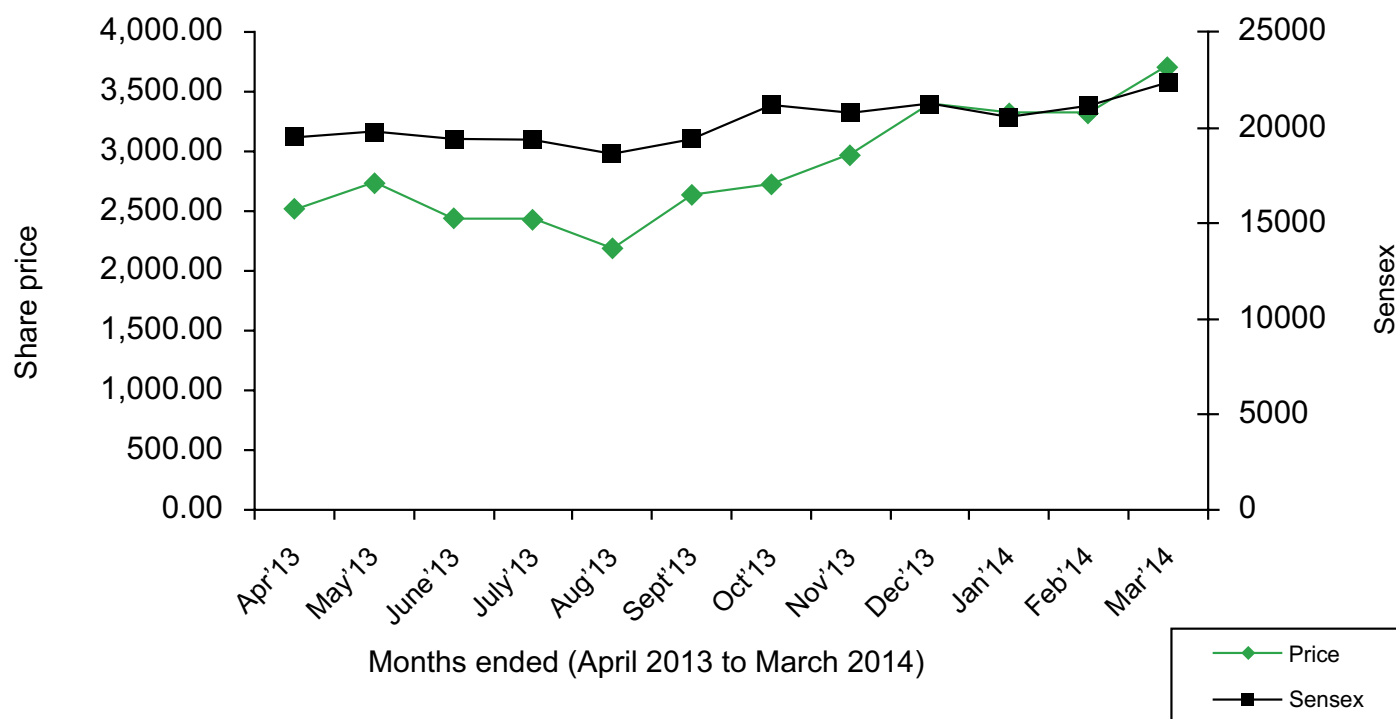
REPORT ON CORPORATE GOVERNANCE

Stock Market Data:

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

Period (2013-2014)			BSE		NSE	
			High	Low	High	Low
April	-	2013	2,565.00	2,205.45	2,560.00	2,200.05
May	-	2013	2,755.00	2,430.00	2,770.00	2,423.00
June	-	2013	2,746.00	2,351.00	2,790.00	2,365.00
July	-	2013	2,613.95	2,350.00	2,610.00	2,356.05
August	-	2013	2,447.95	2,140.00	2,490.00	2,109.95
September	-	2013	2,660.60	2,166.00	2,695.00	2,165.00
October	-	2013	2,928.85	2,596.05	2,920.00	2,593.95
November	-	2013	2,990.00	2,700.00	2,990.00	2,706.25
December	-	2013	3,701.00	2,997.60	3,699.00	2,985.00
January	-	2014	4,040.00	3,200.00	4,048.00	3,210.00
February	-	2014	3,505.00	2,961.90	3,509.95	2,967.90
March	-	2014	3,729.00	3,180.00	3,790.00	3,175.50

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

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, 2014

No of Shares	No. of Shareholders	% of Share Holders	Shares held	% of shares
1 - 500	5,357	94.08	401,196	1.69
501 - 1000	130	2.28	102,160	0.43
1001 - 2000	72	1.26	111,424	0.47
2001 - 3000	19	0.33	46,447	0.20
3001 - 4000	9	0.16	31,649	0.13
4001 - 5000	19	0.33	89,150	0.38
5001 - 10000	25	0.44	180,142	0.76
10001 - above	62	1.11	22,765,766	95.94
	5,693	100.00	23,727,934	100.00

Categories of shareholders as on March 31, 2014

Category	No. of Shareholders	No of Shares held	Voting Strength %
Promoter*	1	17,795,950	75.0000
Foreign Body Corporate	1	100	0.0004
Banks, Financial Institutions and Mutual Funds	44	1,509,762	6.3628
Individuals	5,199	954,007	4.0206
Companies	202	1,755,346	7.3978
NRIs and FIIs	153	1,700,123	7.1651
Clearing Member	93	12,646	0.0533
Total	5,693	23,727,934	100.000

* under two demat accounts

REPORT ON CORPORATE GOVERNANCE

Scheme of Arrangement

During the year under review, the Board of Directors of the Company in its meeting held on October 15, 2013 approved the 'Scheme of Arrangement' under the Provisions of Sections 391 and any other applicable provisions of the Companies Act, 1956 and/or Companies Act, 2013 (the "Scheme") for issuance of unsecured, redeemable, non-convertible, fully paid up debentures, by way of Bonus, to be allotted out of Surplus in the Statement of Profit and Loss of the Company, to the shareholders as viz; 7 Debentures under Series I Debentures, 4 Debentures under Series II Debentures and 3 Debentures under Series III Debentures respectively for every 1 (one) equity share of the Company held by the Shareholders on the Record date to be fixed for this purpose.

After submitting requisite documents with BSE Ltd. (Designated Stock Exchange) ('BSE') and National Stock Exchange of India Ltd., ('NSE'), BSE and NSE vide their letter dated March 21, 2014 issued their 'No Objection' to the proposed scheme. The Company has initiated steps for sanction of the said scheme as is required under the applicable laws. Immediately, upon receipt of No Objection from the BSE and NSE, Company Summons for seeking directions for convening Meetings of Equity Shareholders and Unsecured Creditors were filed with the Hon'ble Bombay High Court on March 25, 2014.

The Hon'ble Bombay High Court vide its Order dated May 2, 2014, directed that a meeting of the (i) Equity Shareholders; and (ii) Unsecured Creditors of the Company be convened on Friday, June 13, 2014 at 10:00 am and 1:00 pm respectively at Hotel Hilton Mumbai International Airport, Andheri (East), Mumbai, for approval of the Scheme. Accordingly, Meetings of Equity Shareholders and Unsecured Creditors of the Company were held on June 13, 2014 for approval of the Scheme of Arrangement. The Scheme of Arrangement was duly

approved by the Equity Shareholders by the requisite majority and unananimously approved by the Unsecured Creditors of the Company. As required under law, results of voting were intimated to the Stock Exchanges, posted on the Company website and displayed at the registered office of the Company.

Dematerialisation of Shares and Liquidity:

Trading in the Company's equity shares is compulsory in dematerialised mode for all investors with effect from August 28, 2000. As on March 31, 2014, 23,602,916 Equity Shares of the Company representing 99.47% of the paid-up Equity Share Capital of the Company are in dematerialised mode.

As Shareholders may be aware, dematerialisation of shares offers various advantages which inter-alia includes the following:

1. No scope for any risk of loss, theft, or fraud with regard to share certificates.
2. Bad deliveries are almost eliminated.
3. Shorter settlements thereby enhancing liquidity.
4. No stamp duty on transfer of securities held in demat mode.
5. No concept of Market Lots.
6. No requirement of lodging transfer deeds and lodging/dispatching transfer documents with the Company, thereby avoiding a lot of paperwork.

In view of the above advantages of dematerialisation of shares, shareholders who still hold their equity shares in the physical form are requested to get their shares dematerialised as soon as possible.

REPORT ON CORPORATE GOVERNANCE

Outstanding GDR/ADR	:	NIL
Plant Location	:	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 439 offices spread across India.
Address for communication	:	Investors should address their correspondence to the Registrar & Share Transfer Agents: M/s. Link Intime India Pvt. Ltd. at the address mentioned hereinabove.

Contact Officials:

Mr. Ralph Gonsalves, Assistant Vice President – Corporate Registry

Mr. Vishal Punjabi, Sr. Associate Client Relations - Corporate Registry

Ms. Ashwini Nemlekar, Associate Client Relations - 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. : 33422 or 33451

Email : PrabhaS@bluedart.com

AartiF@bluedart.com

Analyst Contact	:	Mr. Yogesh Dhingra - Chief Financial Officer and Chief Operating Officer Mr. Rajesh Joshi, General Manager – Finance and Treasury
General Information Contact	:	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 (the "Company"), for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreements of the Company with stock exchanges in India.

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 (as stipulated in Clause 49 of the Listing Agreement), 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 above mentioned Listing Agreements.

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

Neeraj Gupta
Partner
Membership No. 055158

Place: Mumbai
Date : June 21, 2014

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The neo-liberalization efforts of the past two and a half decades have piqued the curiosity of the world towards opportunities in the country. During this period, India has grown at twice the global rate; however the current prolonged slowdown in the global and domestic macro-environment situation is a matter of grave concern.

India's logistics sector is expected to touch US\$ 200 billion by 2020¹. India's consumption is expected to rise to US\$ 3.6 trillion by 2020². Agriculture, Housing, Manufacturing and Transport are expected to be key industries that will drive growth in the Indian economy.

On account of its unique position of having to service a market, the sheer size of India, the logistics industry is expected to be a beneficiary of this growth. Compared to the overall logistics industry, the express industry is niche with high levels of customer centricity, integration and automation.

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 letters, applications, cheque books, credit cards, trade papers and non-documents like electronic products, machine spare parts, trade samples and equipments. The e-tailing segment is also expected to be a growth driver for the industry.

The size of the Indian Organised Express Market (Air and Ground) which is part of the overall logistics sector is estimated to be about ₹ 5,043 crores in 2013. Of the total Organised Express Market, the Air and Ground Express Segment contributed about ₹ 2,237 crores and ₹ 2,806 crores respectively³. Air Express has grown at around 5% CAGR between 2011 and 2013 while Ground Express industry clocked a CAGR of about 8% in the same period. The slower than expected pace of growth witnessed in the Organised Express market is attributed to continued economic slowdown, higher inflationary pressures and subdued sentiments.

The CAGR for Air and Ground Express Industry are likely to remain steady and grow at 5% and 8% respectively over the next couple of years as per Management – Internal estimates.

The Express market is driven by High Value - Low Weight products which do not have a safer alternate mode of transport, eg. the e-tailing segment which relies hugely on this industry. Manufacturing and services growth will play a crucial role in further bolstering demand for Express services.

Apart from providing critical services and aiding economic growth, the Express Industry makes a significant contribution to the

economy. It employs over a million people in a direct or indirect manner and also significantly contributes to the national exchequer in terms of contributions to service and corporate tax.

REVIEW OF PERFORMANCE

In spite of a slowing GDP and a very tough macro-economic environment, the Company has fought hard to ensure all initiatives under its 'Grow India' plans remained well on track. Blue Dart's share in the Organized Air Express Market went up to 52% in 2013 and in the Organized Ground Express Market went up to 14.5% in 2013⁴.

The Company posted ₹ 12,440 Lacs profit after tax for the year ended March 31, 2014. Income from operations for the year ended March 31, 2014 was ₹193,415 Lacs.

At Blue Dart, various cost saving measures such as Fuel Surcharge Mechanism (FSM), Currency Adjustment Factor (CAF), Diesel Surcharge Mechanism (DSM), reduction in working capital, re-negotiation of real estate costs and attractive long term contracts have contributed to maintaining our operating performance as well as the bottomline.

Amongst the various efforts undertaken by the organisation in both the air and ground express network, most notable have been measures such as reduction of Operating Cost Per Move (OCPM), Operating Cost Per Kg (OCPK), Cost Per Kg (CPK), Sweating of Assets, better Return on Capital Employed and others.

Whilst staying focused on cost, the highly able and skilled management team has propelled the organisation in the direction of innovation and sustainability which ensure Blue Dart's leadership in its space continues.

The Company has posted strong CAGR across different aspects of the business. In the period 2008 to 2013, the Company recorded CAGR of 17.2% in tonnage handled; 9.6% in shipments handled.

Blue Dart carried over 1,263.96 lac domestic shipments and over 9.11 lac international shipments weighing over 513,474 tonnes.

The Company has consistently outperformed the Sensex delivering close to 10 times returns on its acquisition price in the year 2005 by DHL Express (Singapore) Pte. Ltd. Blue Dart has consistently generated high cash flows and delivered superior returns to shareholders with strong growth in net worth and market capitalization.

Blue Dart, a zero debt Company, continues to enjoy the highest credit ratings such as A1+ assigned by ICRA for Blue Dart's commercial paper / short-term debt program, ICRA has also assigned AA (long-term rating) and A1+ (Ind) assigned by Fitch Ratings for Blue Dart's short-term program.

1. Economic Times, 30th July 2013

2. Economic Times, 12th June 2013

3. Internal estimates based on ATK TMS 2010 model

4. Internal estimates based on ATK TMS 2010 model

MANAGEMENT DISCUSSION AND ANALYSIS

The key game changer remains Blue Dart's air infrastructure comprising a mixed fleet of Boeing 757 and Boeing 737 freighters that offer Indian industry a payload of over 385 tonnes per night.

Blue Dart continues to strengthen its market share in the ground express space with a fleet of 8,685 vehicles for delivery across the Indian terrain.

The Company has 439 facilities, 330 Blue Dart 'One Retail' stores [548 stores including DHL Express (DHLE)] and a promised delivery by over 8,860 passionate Blue Darters.

PRODUCTS

Blue Dart is the premium express market leader in India with the widest range of services. The Company offers services in air, ground and multi modes in day definite and time definite delivery schedules.

At the core of the product mix strategy is the constant effort to develop specific solutions for various industries. The key domestic express offerings include Time Definite Solutions (Domestic Priority 1030, Domestic Priority 1200, Dart Apex 1200) and Day Definite Solutions (Domestic Priority, Dart Apex, Dart Surfaceline). Packaging Solutions include Express Pallet (Air and Ground) and Smart Box (Air and Ground). The Company also offers Cargo Solutions like Airport to Airport, Interline and Charters besides offering Festive and Student Solutions like Rakhi Express, Mango Express, Student Express etc.

Blue Dart also 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.

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

The Company has recently introduced a securitised service - Critical Express to cater to the huge domestic need for safe movement of items like passports, tenders and other securitised items. During the year, Blue Dart also launched the successful International Time Definite offering of DHLE to all its customers.

A CUSTOMER CENTRIC BRAND

Net Promoters Approach (NPA) is a tool adopted by our Company. It is a Customer Loyalty measuring tool for "Complaint Handling". Touch points are also assessed through NPA. Customers who have registered their complaints are connected with by an external agency where they are asked to rate their satisfaction levels of a complaint being handled on the scale of 0-10.

A rating between 0-6 is considered as 'Detractors' which means the customer was unhappy with the way the complaint was addressed. A rating score of 7-8 is considered as 'Passives' which means the customer was satisfied with the way the complaint was addressed.

A rating score of 9-10 is considered as 'Promoters' which suggest that the customer was satisfied and happy with the way the complaint was addressed. After the rating, customers are called to find out the areas of improvement, feedback is provided to each and every employee who handled the complaint to take immediate corrective actions to avoid any recurrence of such gaps that led to a low rating being given. The feedback is divided into two parts: Quick Wins - Corrective Action can be immediately initiated and First Choice Initiatives - which need process improvements. There is a rewards and recognition system in place to recognize the employees who receive maximum 'Promoters' ratings given by the customer.

During the year, the Company further strengthened its First Choice methodology, aimed to position the brand as the 'Provider of Choice', 'Employer of Choice' and 'Investment of Choice'. The First Choice portfolio offers several elements supporting a culture for continuous improvement based on the ACT (Accelerating Change and Transition) methodology, DMAIC, an acronym for Define, Measure, Analyze, Improve and Control is a data based five phase model for improving quality by reducing waste and improving flexibility and reliability in a process.

CREATING ENTRY BARRIERS

Blue Dart's brand equity, a measure of the customer's loyalty towards the brand is the highest in the market. The brand is associated with international standards, reliability, trustworthiness, hi-technology, strong corporate social responsibility and customer centricity.

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.

MANAGEMENT DISCUSSION AND ANALYSIS

The brand has been successfully creating strong exit barriers for its customers with end-to-end express services covering a document to a charter load within India and through a varied service offering through the DPDHL group companies – DHL Express, DHL Supply Chain and DHL Global Forwarding.

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.

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 and improved Net Service Levels and Operations Service Quality Monitors.

Blue Dart has the largest retail footprint in the country. The 548 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 DHLE.

A RESPONSIBLE CORPORATE CITIZEN

Living Responsibility or in common parlance, 'Corporate Responsibility' is a core element of Blue Dart's corporate strategy. As a socially responsible corporate, Blue Dart's commitment towards community causes has been unwavering since its inception in 1983. 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's 'Living Responsibility', Blue Dart takes its responsibility to society, communities, employees and the environment seriously. Under this credo, Blue Dart (along with DP DHL) focuses its corporate responsibility on environmental protection (GoGreen), disaster management (GoHelp) and championing education (GoTeach).

OPPORTUNITIES AND FUTURE OUTLOOK

E-tailing

The rapidly growing internet penetration and usage is the key growth driver of e-commerce in India. The country has over 250 e-tailing portals. The Indian e-tailing market is estimated to grow at 52% CAGR till 2020⁵. E-tailing contributes 50% of non-travel e-commerce in India and is estimated at Euro 1.3 billion⁶ in 2013.

Express deliveries are the linchpin of a e-tailer's success. Cash on Delivery is the most preferred payment mode for the e-tailing consumer. In a short period of time, Blue Dart has established itself as the preferred service provider and currently holds the dominant market share and e-tailing forms one of the fastest growing and top industry segments for the Company. The Company has invested in widening reach, fastest remittance of cash collected during delivery, vendor pickups and registration, reverse logistics, intelligent API integration and regular reconciliation of Cash on Delivery amount.

In terms of opportunities, the Company is continuously bolstering its efforts to further enhance reach, develop a same day delivery service and is also exploring cross border deliveries & e-fulfilment.

Air Express remains the preferred option for reliability, speed and security given the nature of goods it transports. Ground Express too offers huge opportunities due to an increased affluence expanding into Tier II and III towns, which are emerging as important nodes of production, consumption and distribution.

The growth of the industry is largely based on the general economic situation in the country and any upswing in economic activity will lead to increase in domestic and international trade, creating incremental demand for the express industry.

On the flip side, an economic slowdown could suppress demand and create pricing pressure. The Goods and Service Tax (GST) regime, when implemented, is expected to give a fillip to the logistics industry as it is expected to reduce complexities and bring in efficiencies in movement of goods across state borders and boost the overall demand scenario in the Indian economy.

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.

Although on an absolute basis, the logistics spend in India is low, on a relative basis and as a percentage of GDP, it is high as against USA and Germany, two of the most developed economies.

Resultantly, there are plenty of opportunities for growth. In order to meet and sustain the forecasted growth, the industry is likely to further invest in its infrastructure and systems.

RISKS AND CONCERNS

The industry faces infrastructure issues, high operating costs, bottlenecks in state border clearance and other disadvantages like the proposed Postal Bill, Carriage by Road Act, Local Body Tax etc.

Economic Factors

Weak domestic and global demand and India's inability to move forward on policy initiatives over a fairly long period has now resulted into an economic slowdown.

5. KPMG e-fulfillment Study

6. IAMAI

MANAGEMENT DISCUSSION AND ANALYSIS

The Indian economy⁷ grew at 4.7% during FY2014, with the fourth quarter growing at 4.6%, marginally higher than the 4.4% recorded in the same quarter last year. This marks the second consecutive year of sub-5% growth; the worst slowdown in more than a quarter of a century. Industry continues to be the primary laggard registering growth of mere 0.35% during FY2014.

Services however, surprised on the upside boosted by higher government spending and robust export growth. Agriculture disappointed with registering a growth of 4.71% despite the boost from normal monsoons.

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

As per the India Development Report of the World Bank published in October 2013, the Indian Economy is expected to witness gradual growth over the next couple of years. The improved outlook is primarily on account of improving macroeconomic fundamentals, reforms push, sustained decline in Current Account Deficit and continued measures to improve fiscal sustainability and business environment. In FY2015, economic growth could step up further as manufacturing activity accelerates and new and existing investment projects get on track. Probably this continued growth momentum over FY2015 and FY2016 will act as a catalyst for growth in businesses including logistics.

Foreign Exchange Volatility

The Aviation Turbine Fuel (ATF) price with its high price volatility and multiple rates across states due to different tax rates directly impacts operating margins and constitutes about more than 20 per cent of the Company's total operating costs depending upon the network or type of fleet.

Rupee depreciation impacts the aviation industry significantly as over 70% 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, associated overheads like petrol and diesel costs, computer and software license costs, annual maintenance contract (AMC) and other allied input costs. Thus with the Indian Rupee plunging to a record low of ₹ 68.8 per US Dollar⁸ its adverse impact was witnessed across industries and companies including Blue Dart. Furthermore, the rising inflation on both fronts, the Wholesale Price Inflation (WPI) as well as the Consumer Price Inflation (CPI) contributed to increased overall costs of operations. However, your Company was able to arrest the dual impact of rise in prices and Rupee depreciation due to measures undertaken in FY2014. Of these, notable has been the introduction of customer friendly mechanisms such as Currency Adjustment Factor (CAF), Fuel Surcharge Mechanism (FSM) and Diesel Surcharge Mechanism (DSM).

FSM has been in place since 2002 and has been an effective mechanism to mitigate risks arising out of fuel price volatility. The CAF introduced since September 1, 2013 has aided the Company's efforts to minimize the impact of currency fluctuation on its financial performance.

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. This is turning out to be a win-win situation for both the Company as well as the customer from the point of being able to maintain its margins and business growth.

Despite these challenges, Blue Dart performed reasonably well on all fronts and capitalized on its strong brand equity and focused growth plans, customer loyalty, service quality and strong working with group companies.

Government Policy

- Postal Bill :

The New Postal Bill which was proposed earlier, which also covers 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.

- 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.

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. This leads to considerable delays and affects overall operations.

Customs clearance also remains an area of concern since few shipments require additional NOCs from the regulatory authorities.

7. CMIE- Centre for Monitoring Indian Economy

8. Moneycontrol.com Aug 2013

MANAGEMENT DISCUSSION AND ANALYSIS

The cumbersome checking process and verification of documents makes the process inefficient and results into increased operational costs and delays.

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, clearance processes lead to delays and impact operational cost.

The Aviation Turbine Fuel (ATF) price with its high price volatility and multiple rates across states due to different tax rates directly impacts operating margins.

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 30kms/hour as compared to world 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.

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. Express companies like Blue Dart offer the widest solutions to e-tailiers such as API integration, proof of delivery, consumer verification and data validation.

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-tailiers only with limited geographical reach.

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

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 shareholder's 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 in-house internal audit team and the outsourced 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 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 workshops.

HUMAN RESOURCES: STRATEGY IN LINE WITH BUSINESS

Express service is labour intensive and creates employment for a large number of people directly and indirectly. The industry has been grappling with issues such as lack of skilled manpower.

In the background of such a challenge, Blue Dart has been built on the foundation of people-first philosophy, resulting in it being recognized as one of India's top 10 Best Companies To Work For and ranked 1st in the transportation sector by the Great Places To Work in association with The Economic Times.

This employer of choice position is a result of an overwhelmingly people-focused vision. Blue Dart views the HR function as the support system for its business growth and as a crucial value addition towards meeting organizational goals through proactive business partnership.

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has, during the year, rolled out a policy for prevention of Sexual Harassment in the Company.

ORGANISATION HEALTH AND EMPLOYEE MOTIVATION AND MORALE

In 2013, 99% of eligible employees participated in the annual Employee Satisfaction Survey (ESS). The mean satisfaction score for the year 2013 is 4.60.

'Pride for Working in Blue Dart' continues to rank highest with a score of 4.80 and 'My future in Blue Dart' scored 4.68.

Besides the above, few other parameters such as 'Job secure with good performance', 'BDE does a good job for customers' and 'Working in BDE is good for me' also ranked high.

The high score on Pride for working in Blue Dart (96%), Employee engagement score (94.55%) and Active Leadership by Managers (93.89%) reflects very good organizational health, employee commitment, motivation and morale, the key drivers of customer satisfaction & organizational excellence which continues to position Blue Dart as one of the top 10 best companies to work for.

BUILDING A STRONGER EMPLOYER OF CHOICE BRAND

Performance Dialogue Maps, aimed to align the Company's daily activities with its long term goals and ensure that the Key Performance Indicators are linked to those goals while ensuring that targets are achieved. Performance Dialogue Maps enable teams to understand their current performance and how it contributes to the overall target achievement of the unit, it enables managers to react on deviations in a timely manner and predict the degree of overall target achievement. This aids creation of a platform for continuous improvement and conforms to a Kaizen culture.

The Company introduced another innovative methodology – '5S' for creating and maintaining a well organized, clean, highly effective and a qualitative workplace. The results are an effective organization of the workplace, elimination of losses connected with failure and breaks, improvement in the quality of work and safety of workers.

The name 5S is an acronym derived from five Japanese words which mean - **Seiri (sort), Seiton (set in order), Seiso (shine), Seiketsu (standardize), Shitsuke (sustain)**

'**GEMBA**' is a Japanese term which means '**the real place, the real thing, the real people**'. It literally means a place where 'value is created'. Managers at all levels are encouraged to be the driving force for continuous improvements by understanding the process, developing their own judgment about improvements to be made,

building consensus by getting people to agree on the existing problems, launching improvement activities, achieving goals at the desired speed by being personally engaged in the activity and checking regularly how much the teams have progressed.

PERFORMANCE APPRAISAL

Motiv-8, the online performance management is used to assess the performance and potential for all the executive personnel in terms of their key result areas, competency framework and manager's recommendation on the individual developmental plan (IDP) for their career growth. The appraisals for the assessment period of January-December 2013 were held successfully online covering around 2500 executives. The key talent retention rate in 2013 also stood at 97%, which was an improvement over 2012 which was 86%.

MANAGEMENT TRAINEE PROGRAMME

35 Management Trainees were inducted in the company to strengthen the future leadership pipeline in sales and operations and they have been successfully absorbed in the company in January 2013 post completion of their training. They have been assigned various operational and revenue roles. The overall retention rate is 80%. The Management has received good feedback about their performance and assimilation in the organizational culture. The Company continues to groom and nurture them with regular review, guidance and mentoring support.

BLUE DART MENTORING PROGRAMME

The Company's Senior Management and key managers continue to drive the mentoring initiatives for the management trainees and other new recruits especially in key roles and handhold them for exposure and perspectives about the Company's functioning, culture and values. Enhance comfort levels, remove apprehensions and difficulties faced by the new entrant and create a culture of continuous learning and development which in turn will result in employee retention and engagement.

The above is being actualized through the pool of Mentors created which included Managers, Senior Managers, Vice Presidents and Senior Vice Presidents, including the Managing Director.

TRAINING AND DEVELOPMENT

The Company recorded an average of around 2 training man days.

Some of the Key Soft Skill Training and Technical Trainings done during the year were:

- Delivering Smiles, the service spirit
- Dangerous Goods and Radioactive – Train the Trainer

MANAGEMENT DISCUSSION AND ANALYSIS

- Counter Handling
- Dangerous Goods Regulation
- Fire Fighting and Security
- Package Handling
- Personal Effectiveness
- Products
- Effective Business Communication
- Time Management
- Effective Presentation Skills
- Conflict Management

The Company conceptualized and introduced an integrated “New Age Leadership development programme” i.e Prarambh (Supervisory Development), Neev (Front Line OPS Executive Development) and Uddan (Managers Development) in 2013. Out of this, Prarambh - a 2 day intensive training programme for supervisory development was launched through “Train the Trainer model”. Out of 900 Operation supervisors, 482 have been trained in 2013.

Besides, to continuously develop the customer service capability, ‘Magic of Service Excellence’, a customized programme for Blue Dart customer service contact centre executives was conducted covering 130 executives.

EMPLOYEE COMMUNICATION

To communicate, share and align employees on organisational plans, business performance, policies, processes, initiatives and strategies for the future, the Team Briefing sessions by the Managing Director with the Senior Management Team were held periodically. 10 Team Brief sessions were held in the year 2013. This initiative was very well received by the employees.

To further re-inforce the communication, HR conducts Open House sessions for front line staff on regular basis. The open house sessions are conducted every quarter at all the locations and service centers of Blue Dart. These open house sessions allow employees to express their concern areas which affect their work life, morale and motivation for solution/clarification. A total of 405 Open Houses were conducted in the year 2013.

CULTURE BUILDING

The Company continues to invest in enhancing and spreading a strong service culture. All efforts were put in to ensure that employees

see value in the brand through manifestations in areas like equity in rewards, reliable, caring and impartial management. On a continuous and regular basis, employees also participated in various employee engagements around festivals, national events, sports, talent contest etc.

EMPLOYEE RECOGNITION

7 employees were conferred the Employee of the Year award for their outstanding performance while 3 employees were conferred the Outstanding Sales Performer award. 1024 employees were awarded the on-the-spot Bravo award by individual managers for excellent work. 21 employees were awarded the prestigious Super Darter award for achievements beyond the call of duty. The Company is proud that 754 Blue Darters joined the True Blue club, on completion of 5 years of service.

GREAT PLACES TO WORK RECOGNITION

Blue Dart participated in Great Places to Work study conducted by Great Places to Work Institute, India in collaboration with The Economic Times in 2012-13 and has been ranked as one of the Top 10 Best Companies to work for (10th Rank) and 1st in the transport industry. This is a proud and great recognition for Blue Dart to be featured as one of the top 10 companies to work for in which more than 550 companies including Multinationals and Public Sector participated. This confirms the people centric policies and practices, organisational culture and values and able leadership.

AWARDS AND RECOGNITIONS

Blue Dart is undoubtedly the most awarded Company in its category and perhaps the country for consistently outperforming competition and offering customer value in terms of its brand value, service orientation, products and services, financial performance, corporate governance, management leadership and social responsibility.

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:

1. We have reviewed the financial statements and cash flow statement of Blue Dart Express Limited for the year ended March 31, 2014 and based on our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that may 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.
2. We also state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls over financial reporting for the Company and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - a. significant changes, if any, in the internal control over financial during the year.
 - b. significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. instances of significant fraud of which we 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

Mumbai, May 9, 2014

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

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

Mumbai, June 21, 2014

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

Report on the Financial Statements

1. We have audited the accompanying Financial Statements of Blue Dart Express Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards 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.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 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 a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF BLUE DART EXPRESS LIMITED

- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
- (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

Place: Mumbai
Date: May 9, 2014

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership Number: 055158

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Blue Dart Express Limited on the Financial Statements as of and for the year ended March 31, 2014

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 the 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 program have been physically verified by the Management during the year, and no material discrepancies between the book records and the physical inventory have been noticed.
(c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the Company during the year.
2. (a) The inventory of packing and stationery consumables has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
(b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) The Company has granted unsecured loans and inter-corporate deposits to a party covered in the register maintained under Section 301 of the Act. The maximum amounts involved during the year aggregated to ₹ 23,506 (in lacs) and ₹ 6,810 (in lacs) respectively, and the year-end balance aggregated to ₹ 19,499 (in lacs) and ₹ Nil, respectively. There are no firms/other parties covered in the register maintained under section 301 of the Act.
(b) In our opinion, the rate of interest and other terms and conditions of such unsecured loans and inter-corporate deposits are not prima facie prejudicial to the interest of the Company.
(c) The Company to whom unsecured loans and inter-corporate deposits has been granted, as referred to in (a) above, has been regular in the payment of interest as stipulated. 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 is repayable over seven years with the first two years as moratorium. The party is regular in repaying the principal amounts as stipulated.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
(d) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lac.
(e) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)[(f) and (g)] of the said Order are not applicable to the Company.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Act have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lacs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time except to the extent of ₹ 62,562 (in lacs) in respect of air charter service cost where we are unable to comment as there are no comparable market prices available, being services of specialized nature.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
9. (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 employees' state insurance, income tax and other material statutory dues

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Blue Dart Express Limited on the Financial Statements as of and for the year ended March 31, 2014

- though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including provident fund, investor education and protection fund, wealth tax and service tax with the appropriate authorities. As informed to us, sales tax, customs duty and excise duty 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, wealth tax and service tax which have not been deposited on account of any dispute. As informed to us, customs duty and excise duty are not applicable to the Company for the current year. In respect of sales tax, as referred to in Note 32 to the attached Financial Statements, during the year, the Company has received notices and an order under Kerala VAT Act, 2003 (the "VAT Act") proposing penalties amounting to ₹ 909 (in lacs) on the grounds that the Company is liable to pay VAT on moneys collected for delivering goods in the state of Kerala and that the Company is acting as a selling agent of its customers. The Company believes that VAT is not applicable to it and therefore not leviable.
10. The Company has no accumulated losses as at March 31, 2014 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial period.
 11. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
 12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
 13. As the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
 14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
 15. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by its associate company from banks and financial institutions, considering the service agreement between the two companies, is not prejudicial to the interest of the Company.
 16. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
 17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
 18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
 19. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
 20. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
 21. 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 on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership Number: 055158

Place: Mumbai
Date: May 9, 2014

BALANCE SHEET AS AT MARCH 31, 2014

	Note	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	2,376	2,376
Reserves and Surplus	4	61,153	62,593
		63,529	64,969
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	5	1,754	1,486
Long-term Provisions	6	916	940
		2,670	2,426
CURRENT LIABILITIES			
Trade Payables	7	10,588	7,288
Other Current Liabilities	8	11,700	8,791
Short-term Provisions	9	4,589	20,541
		26,877	36,620
TOTAL		93,076	104,015
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	10	18,773	18,248
Intangible Assets	10	3,999	3,770
Capital Work-in-Progress		112	486
Intangible Assets under development		734	742
		23,618	23,246
Non-Current Investments	11	1,977	1,977
Long-term Loans and Advances	12	23,195	26,782
Other Non-Current Assets	13	43	26
		25,215	28,785
CURRENT ASSETS			
Inventories	14	272	235
Trade Receivables	15	26,672	22,721
Cash and Bank Balances	16	10,593	23,649
Short-term Loans and Advances	17	6,702	5,354
Other Current Assets	18	4	25
		44,243	51,984
TOTAL		93,076	104,015

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

Neeraj Gupta
Partner
Membership No. 055158

Place: Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

Sharad Upasani
Chairman

Anil Khanna
Managing Director

Malcolm Monteiro
Director

Suresh G. Sheth
Director

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

Tushar Gunderia
Company Secretary

Place: Mumbai
Date: May 9, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Note	Year Ended March 31, 2014 in ₹ Lacs	15 Months Ended March 31, 2013 in ₹ Lacs
REVENUE			
Revenue from Operations	19	193,415	216,651
Other Income	20	4,197	3,941
Total Revenue		197,612	220,592
EXPENSES			
Freight, Handling and Servicing Costs (Net)	21	132,729	141,023
Employee Benefits Expense	22	26,485	29,828
Finance Costs	23	3	1
Depreciation and Amortisation Expense	24	2,710	3,448
Other Expenses	25	16,948	19,170
Total Expenses		178,875	193,470
PROFIT BEFORE TAX		18,737	27,122
Tax Expense:			
Current Tax		6,038	8,594
Deferred Tax		268	(338)
Taxation in Respect of Earlier Years		(9)	-
PROFIT FOR THE YEAR/PERIOD		12,440	18,866
Earnings Per Equity Share [Refer note 26]			
[Nominal value of share ₹ 10 each] (Previous Period - ₹ 10)			
Basic Earnings Per Share (in ₹)		52.43	79.51
Diluted Earnings Per Share (in ₹)		52.43	79.51

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

Neeraj Gupta
Partner
Membership No. 055158

Place: Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

Sharad Upasani
Chairman

Suresh G. Sheth
Director

Place: Mumbai
Date: May 9, 2014

Anil Khanna
Managing Director

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

Malcolm Monteiro
Director

Tushar Gunderia
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
A. Cash flows from Operating activities:		
Profit before Taxation	18,737	27,122
Adjustments for:		
Depreciation and Amortisation Expense	2,710	3,448
Interest expense	3	1
Interest income	(2,823)	(2,788)
Dividend from mutual funds	(466)	(953)
Dividend from Subsidiary	(440)	-
(Gain)/Loss on sale/scrapping of fixed assets (Net)	(219)	1,075
Gain on account of Foreign exchange	(56)	(45)
Bad debts written off	100	87
Liabilities no longer required written back	(164)	(445)
Provision for Compensated Absences	53	386
Provision for Gratuity	(483)	500
Provision for Managing Directors' commission	75	73
Operating profit before working capital changes	17,027	28,461
Adjustments for changes in working capital:		
(Increase)/Decrease in Inventories	(37)	27
(Increase) in Trade Receivables	(3,995)	(3,865)
(Increase)/Decrease in Loans and advances	(1,371)	304
Increase in Trade payables and other current liabilities	6,209	1,942
Cash generated from Operations	17,833	26,869
Taxes paid (net of refunds)	(5,862)	(8,650)
Net cash from Operating activities	11,971	18,219
B. Cash flows from Investing activities:		
Purchase of fixed assets	(3,420)	(3,192)
Changes in capital work in progress	391	(1,003)
Proceeds from sale of fixed assets	309	47
Interest received/settled	2,844	2,763
Dividend from mutual funds	466	1,031
Dividend from Subsidiary	440	-
Investments in mutual funds	(194,860)	(217,657)
Redemptions from mutual funds	194,860	222,827
Loans granted to Associate	(1,464)	(3,956)
Loans repaid/settled by Associate	4,730	1,379
Inter-corporate Deposits granted to Associate	(15,170)	(7,505)
Inter-corporate Deposits repaid/settled by Associate	15,170	7,505
Investment in Bank fixed deposits	(17)	(11)
Net cash from Investing activities	4,279	2,228

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
C. Cash flows used in Financing activities:		
Interest paid	(3)	(1)
Dividend paid	(25,152)	(475)
Dividend distribution tax paid	(4,199)	(77)
Net cash used in Financing activities	(29,354)	(553)
Net change in Cash and Cash Equivalents	(13,104)	19,894
Cash and cash equivalents at the beginning of the year/period	23,642	3,748
Cash and cash equivalents at the end of the year/period	10,538	23,642
Cash and Cash Equivalents:		
Cash on hand	187	80
Cheques and Drafts on hand	1,552	1,415
Balances with banks:		
In current accounts	6,099	5,897
Deposits with maturity period less than 3 months	2,700	16,250
	10,538	23,642
Other Bank balances:		
On Unpaid dividend accounts	55	7
	10,593	23,649

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 the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- Previous period's figures have been regrouped/rearranged wherever necessary to conform to the current year's classification (Refer note 37).

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

Neeraj Gupta
Partner
Membership No. 055158

Place: Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

Sharad Upasani
Chairman

Suresh G. Sheth
Director

Anil Khanna
Managing Director

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

Malcolm Monteiro
Director

Tushar Gunderia
Company Secretary

Place: Mumbai
Date: May 9, 2014

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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 is 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 circular 15/2013 dated 13.09.2013 read with circular 08/2014 dated 04.04.2014, 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] and the other relevant provisions of the Companies Act, 1956.

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 Revised Schedule VI to the Companies Act, 1956. 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 are 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.

Aircraft Components and Overhaul represent 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 program, as applicable.

Capital work-in-progress comprises outstanding advances paid to acquire fixed assets that are not yet ready for their intended use at the reporting date.

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.

Intangible assets under development comprises cost relating to development of software that are not yet ready for their intended use at the reporting date.

Depreciation

Depreciation on tangible assets is calculated on a straight-line basis as per the rates as prescribed under Schedule XIV to the Act, except in respect of the following assets where such rates arrived at are higher based on the useful lives estimated by the management.

Office Equipment	2 to 16 years
Electrical Equipment	6 to 16 years
Computers	3 to 6 years
Aircraft Engines	2 to 7 years
Aircraft	14 years

Estimated useful life of the following asset which is not included in Schedule XIV has been arrived at by management as follows:

D-Check on Aircraft	7 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 its put to use.

Computer software, other than internally generated, is amortised under straight line method over the estimated useful economic life at the rates specified in Schedule XIV to the Act, as prescribed for Computers. 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

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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 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 and allowances.

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 difference in exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences on restatement 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 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.

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 the 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 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.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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 on a straight line basis over the lease term.

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) 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.

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.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
3 Share Capital		
Authorised		
4,00,00,000 equity shares of ₹ 10 each	4,000	4,000
Issued, Subscribed and Paid up		
2,37,27,934 equity shares of ₹ 10 each fully paid-up	2,373	2,373
Add: Forfeited Shares	3	3
Total	2,376	2,376

a. Reconciliation of the number of shares

	As at March 31, 2014		As at March 31, 2013	
	Number of shares	Amount (₹ In lacs)	Number of shares	Amount (₹ In lacs)
Balance as at the beginning of the year/period	2,37,27,934	2,373	2,37,27,934	2,373
Additions/Deletions during the year/period	-	-	-	-
Balance as at the end of the year/period	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, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
DHL Express (Singapore) Pte. Limited, the Holding Company		
1,77,95,950 (Previous Period : 1,77,95,950) 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 st March 2014		As at 31 st March 2013	
	Number of shares	% held as at	Number of shares	% held as at
DHL Express (Singapore) Pte. Ltd., Singapore	1,77,95,950	75.00%	1,77,95,950	75.00%
Derive Trading Private Limited (along with persons acting in concert)	1,270,147	5.35%	1,282,239	5.40%

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
4 RESERVES AND SURPLUS		
Securities Premium Reserve		
Balance as at the beginning of the year/period	3,941	3,941
Addition/utilisation during the year/period	-	-
Balance as at the end of the year/period	3,941	3,941
General Reserve		
Balance as at the beginning of the year/period	5,247	3,360
Add: Transferred from Surplus in Statement of Profit and Loss during the year/period	1,244	1,887
Balance as at the end of the year/period	6,491	5,247
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year/period	53,405	56,136
Add: Profit for the year/period	12,440	18,866
Less: Appropriations		
Interim Dividend	8,305	-
Proposed Dividend	3,559	16,847
Dividend Distribution Tax	2,016	2,863
Transfer to General Reserve	1,244	1,887
Balance as at the end of the year/period	50,721	53,405
Total	61,153	62,593
5 DEFERRED TAX LIABILITY (NET) [Refer note 2(j)]		
Deferred Tax Liability		
Depreciation	2,484	2,373
Gross Deferred Tax Liability	2,484	2,373
Deferred Tax Assets		
Provision for Compensated Absences	438	420
Provision for Bonus	249	267
Provision for Gratuity	18	182
Others	25	18
Gross Deferred Tax Assets	730	887
Total	1,754	1,486
6 LONG-TERM PROVISIONS		
Provision for employee benefits:		
Provision for Compensated Absences [Refer notes 2(h), 2(k) and 22]	916	940
Total	916	940

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
7 TRADE PAYABLES		
Trade Payables (Refer note 30 for details of dues to Micro and Small enterprises)	10,588	7,288
Total	10,588	7,288
8 OTHER CURRENT LIABILITIES		
Employee benefits payable	1,257	1,305
Unpaid Dividends (Refer note below)	55	7
Statutory dues (including Provident Fund, Superannuation, Employees State Insurance and Tax Deducted at Source)	374	381
Trade Deposits	1,250	1,219
Payables towards 'Cash on Delivery' shipments (Refer note 16)	4,847	3,643
Other payables	3,917	2,236
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/period end		
Total	11,700	8,791
9 SHORT TERM PROVISIONS		
Provision for employee benefits:		
Provision for Gratuity [Refer notes 2(h), 2(k) and 22]	53	536
Provision for Compensated Absences [Refer notes 2(h), 2(k) and 22]	372	295
Other Provisions:		
Provision for Proposed Dividend on Equity Shares	3,559	16,847
Provision for Dividend Distribution Tax on Proposed Dividend on Equity shares	605	2,863
Total	4,589	20,541

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

10. FIXED ASSETS

[Refer notes 2(b), 2(c), 24 and 31]

in ₹ Lacs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	Opening Balance as at April 1, 2013	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Opening Balance as at April 1, 2013	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2013
Tangible Assets:										
Land - Freehold	3,963	-	-	3,963	-	-	-	-	3,963	3,963
Buildings	2,014	-	1	2,013	446	52	0*	498	1,515	1,568
Office Equipment	1,804	236	60	1,980	616	126	48	694	1,286	1,188
Electrical Equipment	3,919	425	99	4,245	1,485	274	72	1,687	2,558	2,434
Computers	5,646	1,368	394	6,620	3,779	615	391	4,003	2,617	1,867
Furniture and Fixtures	6,244	485	127	6,602	1,997	409	90	2,316	4,286	4,247
Vehicles	444	42	164	322	303	30	151	182	140	141
Aircraft Engines	1,087	-	-	1,087	1,087	-	-	1,087	-	-
Aircraft	3,002	-	-	3,002	1,881	203	-	2,084	918	1,121
Aircraft Components and Overhaul	2,052	-	-	2,052	1,784	45	-	1,829	223	268
D-Check on Aircraft [Refer Note (a) below]	1,146	-	-	1,146	1,146	-	-	1,146	-	-
Ground Handling Equipment	864	29	(8)	901	208	44	0*	252	649	656
Machinery and Equipment	1,155	16	12	1,159	360	187	6	541	618	795
Total Tangible Assets	33,340	2,601	849	35,092	15,092	1,985	758	16,319	18,773	18,248
Previous Period	33,612	2,971	3,243	33,340	14,350	2,558	1,816	15,092	18,248	

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK	
	Opening Balance as at April 1, 2013	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Opening Balance as at April 1, 2013	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2013
Intangible Assets:										
Goodwill	300	-	-	300	300	-	-	300	-	-
Computer Software [Refer note (b) below]	3,790	572	2	4,360	1,784	523	3	2,304	2,056	2,006
Internally Generated Software [Refer note (b) below]	2,016	381	-	2,397	252	202	-	454	1,943	1,764
Total Intangible Assets	6,106	953	2	7,057	2,336	725	3	3,058	3,999	3,770
Previous Period	5,713	345	(48)	6,106	1,702	890	256	2,336	3,770	

* Amount is below the rounding off norm adopted by the Company

Notes:

- D-Check on Aircraft represents costs incurred towards heavy maintenance and mandatory checks carried out on Aircraft exclusively operated for the Company.
- During the previous period, an amount of ₹ 301 Lacs from the block of Computers, and ₹ 1,715 Lacs from the block of Computer Software had been restated/reclassified into Internally generated software aggregating to ₹ 2,016 Lacs. Consequently, depreciation for the previous period was lower by ₹ 156 Lacs and Profit Before Tax was higher by the same amount.
- Deductions/Adjustments include reclassification from one category to another category of asset.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
11 NON-CURRENT INVESTMENTS		
Trade investments (valued at cost)		
[Refer note 2(d)]		
Unquoted equity investments		
Investment in Subsidiary		
1,10,000 (Previous Period - 1,10,000) equity shares of ₹ 10 each fully paid up in Concorde Air Logistics Limited	146	146
Investment in Associate		
1,17,60,000 (Previous Period - 1,17,60,000) equity shares of ₹ 10 each in Blue Dart Aviation Limited	1,831	1,831
Total	1,977	1,977
Aggregate amount of unquoted investments	1,977	1,977
12 LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Loan to Associate (Refer note 33)	15,930	19,499
Aircraft Payload Deposit to Associate	2,150	2,150
Advance income tax [net of provision for taxation ₹ 30,353 (in lacs), Previous Period ₹ 24,249 (in lacs)] [Refer note 2(j)]	939	1,181
Capital advances	86	188
Deposits	4,013	3,705
Other loans and advances:		
Prepaid expenses	77	59
Total	23,195	26,782
13 OTHER NON-CURRENT ASSETS		
Margin money deposit	29	14
Long term deposits with banks with maturity period more than 12 months	14	12
Total	43	26
14 INVENTORIES [Refer note 2(e)]		
Packing and Stationery Consumables	272	235
Total	272	235

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
15 TRADE RECEIVABLES [Refer note 29(D)(i)]		
(Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other receivables	26,672	22,721
Total	26,672	22,721
16 CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
Cash on hand	187	80
Cheques and Drafts on hand	1,552	1,415
Balances with banks:		
In current accounts	6,099	5,897
Deposits with maturity period less than 3 months	2,700	16,250
	10,538	23,642
Other Bank balances:		
Unpaid dividend accounts	55	7
Total	10,593	23,649
Bank balances in current account includes ₹ 3,902 (lacs) [Previous Period - ₹ 3,519 (lacs)] being collections on 'Cash on Delivery' shipments held on behalf of customers. (Refer note 8)		
17 SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Loan to Associate (Refer note 33)	3,569	3,266
Other loans and advances:		
Prepaid expenses	746	626
Loan and advances to employees	40	54
Octroi Recoverable	821	988
Balances with Government Authorities	315	230
Others	1,211	190
Total	6,702	5,354
Loans to employees include:		
Due from an officer	12	15
18 OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Interest accrued on Deposits	4	25
Total	4	25

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
19 REVENUE FROM OPERATIONS		
Service charges [Refer note 2(f)]	193,251	216,206
Other Operating income:		
Liabilities no longer required written back	164	445
Total	193,415	216,651
20 OTHER INCOME		
Dividend from Mutual Funds	466	953
Dividend from Subsidiary	440	-
Gain on sale/scrapping of fixed assets (Net)	219	-
Interest on Loan to Associate [Refer note 2(f)]	2,262	2,616
Interest on Inter-Corporate Deposit to Associate [Refer note 2(f)]	155	54
Interest on deposits with banks [Refer note 2(f)]	406	118
Net Gain on Foreign Currency Transactions and Translation	56	45
Miscellaneous income	193	155
Total	4,197	3,941
21 FREIGHT, HANDLING AND SERVICING COSTS		
Aircraft charter costs	62,562	71,227
Domestic network operating costs	42,733	42,968
International servicing charges	10,447	10,762
Domestic excess baggage	9,501	8,576
Handling and clearing charges	4,970	4,961
Printing, stationery and consumables	2,516	2,529
Total	132,729	141,023
22 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Leave Encashment	22,713	25,148
Contribution to Provident and other funds	1,465	1,596
Gratuity	63	772
Staff welfare expenses	2,244	2,312
Total	26,485	29,828

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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/period, 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, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
- Employers' Contribution to Provident Fund	495	524
- Employers' Contribution to Superannuation Fund	71	86
- Employers' Contribution to Employee's State Insurance	368	396
- Employers' Contribution to Employee's Pension Scheme 1995	426	475

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, 2014	As at March 31, 2013
Discount Rate (per annum)	9.31%	8.00%
Rate of increase in Compensation levels (Refer note below)	7.25%	7.25%
Rate of Return on Plan Assets	9.31%	8.00%

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.

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
A) Changes in the Present Value of Obligation		
Present Value of Obligation at the beginning of the year/period	3,145	2,335
Interest Cost	252	270
Past Service Cost	NIL	NIL
Current Service Cost	279	263
Curtailment Cost/(Credit)	NIL	NIL
Settlement Cost/(Credit)	NIL	NIL
Benefits Paid	(167)	(232)
Acturial (gain)/loss on obligations	(226)	509
Present Value of Obligation as at year/period end	3,283	3,145
B) Changes in the Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year/period	2,609	2,299

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
Expected Return on Plan Assets	209	223
Actuarial Gains and (Loss) on Plan Assets	33	47
Contributions	547	272
Benefits Paid	(167)	(232)
Fair Value of Plan Assets at year/period end	3,231	2,609
C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets		
	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
Present Value of funded obligation as at the year/period end	3,283	3,145
Fair Value of Plan Assets as at the end of the year/period	3,231	2,609
Funded Status	(52)	(536)
Present Value of unfunded Obligation as at the year/period end	(52)	(536)
Unrecognised Actuarial (gains)/losses	NIL	NIL
Unfunded Net Liability recognised in Balance Sheet	(52)	(536)
D) Amount recognised in the Balance Sheet		
Present Value of Obligation at the end of the year/period	(3,283)	(3,145)
Fair Value of Plan Assets at year/period end	3,231	2,609
Liability recognised in the Balance Sheet	(52)	(536)
Recognised under:		
Short term provisions (Refer note 9)	52	536
E) Expenses recognised in the Statement of Profit and Loss		
	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
Current Service Cost	279	263
Past Service Cost	NIL	NIL
Interest Cost	252	270
Expected Return on Plan Assets	(209)	(223)
Curtailment Cost/(Credit)	NIL	NIL
Settlement Cost/(Credit)	NIL	NIL
Net actuarial (gain)/loss recognised in the year/period	(259)	462
Total expenses/(gain) recognised in the Statement of Profit and Loss	63	772
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 Financial Statements as of and for the year ended March 31, 2014

G) Expected gratuity contribution for the next year is aggregating ₹ 314 (lacs) [Previous Period ₹ 567 (lacs)].

I. Net Asset/(Liability) recognised in Balance Sheet:

	Year ended March 31, 2014	15 Months Period ended March 31, 2013	Year ended December 31, 2011	Year ended December 31, 2010	Year ended December 31, 2009
	in ₹ Lacs				
a) Present Value of Obligation at the close of the year/period	(3,283)	(3,145)	(2,335)	(2,121)	(1,762)
b) Fair Value of Plan Assets at the close of the year/period	3,231	2,609	2,299	2,029	1,706
c) Asset/(Liability) recognised in the Balance Sheet	(52)	(536)	(36)	(91)	(56)
Change in Define Benefit Obligation (DBO) during the year/period					
d) Actuarial (Gain)/Loss	(226)	509	(65)	84	(204)
Change in the Fair Value of Plan Assets during the year/period					
e) Actuarial Gain/(Loss)	33	47	33	(10)	19
Experience Adjustments					
f) Experience Adjustment on plan liabilities (gain)/loss	238	(6)	149	84	(86)
g) Experience Adjustment on plan assets (gain)/loss	(33)	(47)	33	(10)	19

II. Actuarial Assumptions:

	Year ended March 31, 2014	15 Months Period ended March 31, 2013	Year ended December 31, 2011	Year ended December 31, 2010	Year ended December 31, 2009
Discount Rate	9.31%	8.00%	9.25%	8.50%	8.50%
Expected Return on Plan Assets	9.31%	8.00%	7.75%	7.75%	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 Rs. 1,288 (lacs) [Previous Period Rs. 1,235 (lacs)] (Refer note 6 and 9)

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
23 FINANCE COSTS		
Interest on Bank Overdraft	3	1
Total	3	1
24 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible assets	1,985	2,558
Amortisation on Intangible assets	725	890
Total	2,710	3,448
25 OTHER EXPENSES		
Rent [Refer note 2(i)]	7,735	8,571
Office expenses	1,939	1,913
Security expenses	1,553	1,618
Electricity	1,456	1,521
Repairs and maintenance - others	1,260	1,261
Communication expenses	805	1,018
Directors sitting fees	5	7
Legal and professional	550	497
Payment to Auditors		
As auditor:		
Statutory Audit fees	40	40
Tax Audit fees	5	8
Reimbursement of Expenses	11	8
Other Matters	34	33
Rates and taxes	461	494
Travelling and conveyance	276	292
Lease rentals [Refer note 2(i)]	225	262
Insurance	263	232
Sales promotion and advertising	198	215
Bad debts written off	100	87
Loss on sale/scraping of fixed assets (Net)	-	1,075
Miscellaneous expenses	32	18
Total	16,948	19,170
26 EARNINGS PER SHARE		
Profit for the year/period	12,440	18,866
Weighted average number of shares (Nos.)	23,727,934	23,727,934
Basic and Diluted Earnings Per Share (In ₹)	52.43	79.51
Nominal value of shares outstanding (In ₹)	10	10

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

27 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, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
Not later than one year	2,014	2,271
Later than one year and not later than five years	2,154	2,594
Later than five years	351	103

- 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 ₹ 358 (lacs) [Previous period ₹ 394 (lacs)] 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 office equipments of ₹ 225 (lacs) [Previous period ₹ 262 (lacs)] has been included under the head "Other Expenses - Lease Rentals" under Note 25 forming part of the Statement of Profit and Loss and lease rentals for official and residential premises of ₹ 4,601 (lacs) [Previous period ₹ 5,504 (lacs)] has been included under the head "Other Expenses - Rent" under Note 25 forming part of the Statement of Profit and Loss.

28 SEGMENT INFORMATION

The Company is primarily engaged in a single segment business 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.

29 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
Fellow Subsidiary Company	DHL Express (India) Private Limited, India
Fellow Subsidiary Company	DHL Supply Chain India Private Limited, India (Effective from February 1, 2014)
Fellow Subsidiary Company	DHL Logistics Private Limited, India
Fellow Subsidiary Company	Skyline Air Logistics Limited, India
Associate Company	Blue Dart Aviation Limited, India

(ii) Key Management Personnel

Managing Director	Anil Khanna
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(B) Related party relationships where transactions have taken place during the year/period

(i) Enterprises where control exists

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 (Effective from February 1, 2014)
Fellow Subsidiary Company	DHL Logistics Private Limited, India
Associate Company	Blue Dart Aviation Limited, India

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

(ii) **Key Management Personnel**

Anil Khanna

Managing Director

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
(C) Transactions with related parties during the year/period		
(i) With Holding/Subsidiary/Fellow Subsidiaries/Associate Company		
DHL Express (Singapore) Pte. Limited		
Dividend paid	18,864	385
Concorde Air Logistics Limited		
Reimbursements towards air freight	5,989	5,630
Dividend received	(440)	-
DHL Express (India) Private Limited		
International servicing cost	10,447	10,762
Domestic service charges income	(5,713)	(6,477)
Reimbursements of expenses	25	57
DHL Supply Chain India Private Limited		
Domestic service charges income	(505)	-
Deposit received/(paid)	(11)	-
DHL Logistics Private Limited		
Domestic service charges income	(2,427)	(3,365)
Deposit received/(paid)	-	11
Reimbursements of expenses	14	16
Blue Dart Aviation Limited		
Aircraft Charter Service Cost	62,562	71,150
Inter Corporate Deposit Granted	15,170	7,505
Inter-Corporate Deposits settled/adjusted	(15,170)	(7,505)
Inter Corporate Loan granted	1,464	3,956
Inter-Corporate Loan settled/adjusted	(4,730)	(1,379)
Interest income on Loan	(2,262)	(2,616)
Interest income on Inter-Corporate Deposit	(155)	(54)
Domestic service charges income	(35)	(36)
(ii) Corporate guarantees given on behalf of Blue Dart Aviation Limited	10,600	4,600
Note: For the external loan taken by the associate during the year the debt covenants will be met by the company (Previous period- Not Applicable).		
(iii) With Key Management Personnel		
Anil Khanna		
Remuneration	218	249

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
(D) Related party balances as at the year/period end		
(i) Receivable/(Payable) from/to Subsidiary/Fellow Subsidiaries/Associate company		
Concorde Air Logistics Limited	(96)	(216)
DHL Express (India) Private Limited (Net)	(1,750)	(1,428)
DHL Supply Chain India Private Limited (Net)	856	-
DHL Logistics Private Limited (Net)	39	353
Blue Dart Aviation Limited (Net)	20,796	24,756
(ii) Payable to Key Management Personnel		
Anil Khanna	75	73

30 DUES TO MICRO AND SMALL ENTERPRISES

Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year/period end	191	124
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year/period end	2	1
Principal amounts paid to suppliers registered under the MSMED Act beyond the appointed day during the year/period	6	10
Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year/period	-	-
Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year/period	-	-
Interest due and payable towards suppliers registered under MSMED Act for payments already made	-	*0
Further interest remaining due and payable for earlier years	1	1

* Amount is below the rounding off norm adopted by the Company

The above information regarding Micro, Small and Medium Enterprises given in note 7 - 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:

Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	150,102	121,285
Interest due and payable towards suppliers registered under MSMED Act for payments already made	-	9,694
Further interest remaining due and payable for earlier years	121,285	108,011
Interest Charge to Statement of Profit and Loss	28,817	13,274

31 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances ₹ 86 (lacs) (Previous Period ₹ 188 (lacs))]	521	292
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SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
32 CONTINGENT LIABILITIES [Refer note 2(l)]		
Claims against the Company not acknowledged as debt		
a) Penalty under Kerala Value Added Tax Act, 2003	909	-
<p>During the year, the Company received an order and penalty notices from the Department of Commercial Taxes, Kerala claiming that Cash on Delivery (COD) sales made are to be considered as local Kerala sales liable to VAT in Kerala and the Company is a selling agent to its customers for such COD sales shipments delivered in Kerala and therefore liable to pay VAT.</p> <p>The Company has filed a Writ Petition against the order passed by the Department of Commercial Taxes, Kerala which has been admitted by the Honourable Kerala High Court with directions issued to the Revenue Authorities to file its counter statement and in the interim has directed the Revenue Authorities not to initiate recovery proceedings.</p> <p>In response to the said penalty notices and based on the legal counsel advise received, the Company has filed its reply submitting that on various grounds it is a settled position of law that the sales are inter-state sales and not a local sale in Kerala, hence provisions of the said Kerala VAT Act are not applicable and in any event the Company cannot be considered as a selling agent of its customers and therefore should not be considered as liable to penalties on transactions carried out by third parties.</p>		
b) Stamp Duty - Karnataka	Not ascertainable	-
<p>In response to the notices received from Stamp Authorities of Bangalore and Mangalore for payment of stamp duty under the Karnataka Stamp Act, 1957, based on the legal counsel advise received, the Company has filed its reply with both 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.</p>		
33 During the year, the Company has further granted an unsecured interest bearing loan to Blue Dart Aviation Limited to meet its financial requirements towards infrastructure expansion for its dedicated air cargo services under the Aircraft, Crew, Maintenance, Insurance ('ACMI') Agreement of ₹ 1,464 (lacs) [Previous period ₹ 3,956 (lacs)] and received a repayment of ₹ 4,730 (lacs) [Previous period ₹ 1,379 (lacs)]. As at March 31, 2014 the outstanding loan balance is ₹ 19,499 (lacs), [Previous period ₹ 22,765 (lacs)] of which ₹ 3,569 (lacs) [Previous period ₹ 3,266 (lacs)] is receivable 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 is repayable over seven years with the first two years as moratorium. The loan carries an interest computed at an average 'base' rate of IDBI Bank and ICICI Bank with an interest re-set bi-annually.		
34 PROPOSED DIVIDEND		
The final dividend proposed for the year/period is as follows:		
On Equity Shares of ₹ 10/- each		
Amount of dividend proposed (in ₹ lacs)	3,559	16,847
Dividend per equity share	15	71
35 REMITTANCE IN FOREIGN CURRENCY ON ACOUNT OF DIVIDENDS:		
	Year ended March 31, 2014	15 Months Ended March 31, 2013
Number of Non-resident shareholders	1	1
Number of Equity Shares held	17,795,950	19,227,887
Amount of dividend remitted	12,635	385
Year to which dividend relates	January 1, 2012 to March 31, 2013	January 1, 2011 to December 31, 2011

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014	15 Months Ended March 31, 2013
Amount of Interim dividend remitted	6,229	-
Year to which Interim dividend relates	April 1, 2013 to March 31, 2014	-
	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
EARNINGS IN FOREIGN CURRENCY:		
Service income	3,301	3,558
CIF VALUE OF:		
Capital Goods	156	219
EXPENDITURE IN FOREIGN CURRENCY:		
Foreign Travel	24	12
Others	70	77

36 The Board of Directors of the Company in its meeting held on October 15, 2013 approved a 'Scheme of Arrangement' under Sections 391 and any other applicable provisions of the Companies Act, 1956 and/or Companies Act, 2013 (the "Scheme") for issuance of unsecured, redeemable, non-convertible, fully paid up debentures of ₹ 10/- each (Rupees Ten Only), by way of Bonus, to be allotted out of Surplus in the Statement of Profit and Loss of the Company, to the shareholders as viz; 7 Debentures under Series I Debentures, 4 Debentures under Series II Debentures and 3 Debentures under Series III Debentures respectively for every 1 (one) equity share of the Company held by the Shareholders on the Record date to be fixed for this purpose.

BSE Ltd. and National Stock Exchange of India Ltd. have given their no-objection to the Scheme vide their letter dated March 21, 2014. Further, the Hon'ble Bombay High Court has directed that a meeting of the (i) Equity Shareholders; and (ii) unsecured creditors of the Company be convened on Friday, June 13, 2014 at 10:00 am and 1:00 pm respectively at Hotel Hilton, Andheri (East), Mumbai, for the approval of Scheme. The Company is in process of issuing notice of Court Convened Meeting to Equity Shareholders of the Company.

37 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

The current accounting year is for twelve months from April 1, 2013 to March 31, 2014, whereas the previous accounting period was for fifteen months from January 1, 2012 to March 31, 2013. Hence, figures for the current year are not comparable with those of the previous period. Previous period's figures have been regrouped/rearranged, wherever necessary to confirm to the current year's classification.

Signatures to Notes 1 to 37 form an integral part of the financial statements.

As per our report of even date

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No. 055158

Place: Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

Sharad Upasani
Chairman

Suresh G. Sheth
Director

Place: Mumbai
Date: May 9, 2014

Anil Khanna
Managing Director

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

Malcolm Monteiro
Director

Tushar Gunderia
Company Secretary

STATEMENT PURSUANT TO SECTION 212(1) (e) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary Company	:	Concorde Air Logistics Limited
Holding Company's Interest	:	110,000 Equity Shares of ₹ 10 each fully paid up
Extent Holding	:	100%
The "Financial Year" of the Subsidiary Company ended on	:	March 31, 2014
Net aggregate amount of the Subsidiary Company's profits/ (losses) dealt with in the Holding Company's accounts		
For the Subsidiary's aforesaid financial year	:	Nil
For the previous financial years	:	N.A.
Net aggregate amount of the Subsidiary Company's profits/ (losses) not dealt with in the Holding Company's accounts		
For the Subsidiary's aforesaid financial year (₹ In lacs)	:	102
For the previous financial period (₹ In lacs)	:	206

For and on behalf of the Board of Directors

Sharad Upasani
Chairman

Anil Khanna
Managing Director

Malcolm Monteiro
Director

Suresh G. Sheth
Director

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

Tushar Gunderia
Company Secretary

Place: Mumbai
Date: May 9, 2014

BOARD OF DIRECTORS

CONCORDE AIR LOGISTICS LIMITED

BOARD OF DIRECTORS

Vaidhyanathan Iyer

Tushar Gunderia

D. Basappa

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 Tenth Annual Report of your Company for the financial year ended March 31, 2014.

FINANCIAL RESULTS

	(₹ in lacs)	
	Year ended March 31, 2014	15 Months ended March 31, 2013
Revenues:		
Services	367.85	429.99
Commission	45.06	89.81
Other Income	13.31	58.38
Less: Operating Expenses	253.79	266.84
Operating Profit (EBIDTA)	172.43	311.34
Less: Depreciation / Amortisation	19.45	23.88
Earnings before Tax	152.98	287.46
Less: Provision for income tax	50.66	82.09
Earnings after tax	102.32	205.37

DIVIDEND

Since your Company has strong reserves position and accumulated balance in the Profit & Loss Account, the Board of Directors of the Company at its Meeting held on June 25, 2013 declared an interim dividend of ₹ 400/- per share on the equity share of ₹ 10/- each, for the financial year 2013-2014

In view of an interim Dividend already declared, your Directors do not wish to recommend final Dividend.

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 has a valid break-bulk license to handle consolidated shipments.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. V.N. Iyer, Director, retire by rotation at the ensuing Annual General Meeting and, being eligible, offer himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that;

- (i) in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures; 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 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; and
- (iv) they have prepared the annual accounts on a going concern basis.

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 Tenth 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.

FIXED DEPOSIT

The Company has not accepted any deposits within the meaning of the provisions of Section 58A of the Companies Act, 1956.

DIRECTORS' REPORT

COMPLIANCE CERTIFICATE

In accordance with the provisions of Section 383(A) of the Companies Act, 1956, M/s. Nilesh Shah & Associates, Company Secretaries in Whole time Practice has issued 'Compliance Certificate' for the year ended March 31, 2014 which has been attached as an Annexure to this Report.

EMPLOYEES

Your Directors hereby wish to place on record their appreciation on the efficient services rendered by the Employees.

During the year under review, your Company did not have any employee falling under the provisions of Service 217 (2A) of the Companies Act, 1956.

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

The information pursuant of Section 217(1) (e) of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is as under:

A	Conservation of Energy	:	Not applicable
B	Technology Absorption	:	Not applicable
C	Foreign Exchange Earnings & Outgo	:	
	Earnings	:	Nil
	Outgo	:	Nil
			(previous Year : Nil)

ACKNOWLEDGEMENT

Your Directors express their deep sense of gratitude to the customers, associates, banks, suppliers and government authorities for their continuous support during the year under review.

For and on behalf of the Board Directors

Vaidhyanathan Iyer
Director

Tushar Gunderia
Director

D. Basappa
Director

Mumbai,
May 9, 2014

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, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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 financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards 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.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion .

OPINION

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying 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:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 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 a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CONCORDE AIR LOGISTICS LIMITED

- (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
- (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership Number: 055158

Place: Mumbai
Date: May 9, 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 7 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, 2014.

1. (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) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. The Company is in the business of rendering services, and consequently, does not hold any inventory. Therefore, the provisions of Clause 4(ii) of the said Order are not applicable to the Company.
3. The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(b),(c) and (d) / (f) and (g)] of the said Order are not applicable to the Company.
4. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for the sale services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. (a) According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
(b) In our opinion, and according to the information and explanations given to us, there are no transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five Lakhs in respect of any party during the year.
6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
9. (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 provident fund and service tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including investor education and protection fund, employees' state insurance, income tax, wealth tax and other material statutory dues, as applicable, with the appropriate authorities. As informed to us sales tax, customs duty and excise duty 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, wealth tax, service tax and cess which have not been deposited on account of any dispute. As informed to us sales tax, customs duty and excise duty are not applicable to the Company for the current year.
10. The Company has no accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
13. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, the provisions of Clause 4(xiii) of the Order are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Clause 4(xiv) of the Order are not applicable to the Company.
15. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
16. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 7 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, 2014.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds amounting to Rs. 10,025 ('000) in the nature of short-term working capital have prima facie being deployed in long-term loans and advances.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. Accordingly, the provisions of Clause 4(xviii) of the Order are not applicable to the Company.
19. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
20. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
21. 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 on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership Number: 055158

Place: Mumbai
Date: May 9, 2014

COMPLIANCE CERTIFICATE

(Under Section 383A (1) of the Companies Act, 1956)

CIN: U60230MH2004PTC146141

Authorised Capital: ₹ 2,000,000/-

To the Members of

CONCORDE AIR LOGISTICS LIMITED

Mumbai

We have examined the necessary registers, records, books and papers of CONCORDE AIR LOGISTICS LIMITED ('the Company') as required to be maintained under the Companies Act, 1956, ('the Act') and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014. In our opinion and to the best of our information and according to the examinations carried out by us and the explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial period:

1. The Company has kept and maintained all registers as stated in Annexure "A" to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure "B" to this certificate with the Registrar of Companies, Maharashtra, Mumbai or such other authorities within the time prescribed under the Act and the rules made thereunder. The Company was not required to file any forms and returns with the Regional Director, Central Government, Company Law Board or other authorities.
3. The status of the Company, being Public Limited Company, comments are not required.
4. The Board of Directors duly met 5 (Five) times on 02.05.2013, 25.06.2013, 22.07.2013, 14.10.2013 and 04.02.2014 respectively, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members or Debenture holders during the financial year under review.
6. The Annual General Meeting for the year ended 31st March, 2013 was held on 22nd July, 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to its directors and / or persons or firms or Companies referred to in the Section 295 of the Act, during the period under review.
9. The Company has not entered into any contract in violation of the provisions of Section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or the Central Government.
12. The Company has not issued duplicate share certificates during the financial year under review and hence no comment is invited.
13. The Company has:
 - (i) not allotted any shares / securities or received any request for transfer / transmission of any shares or other securities during the year under review and hence no comment is invited in this respect.
 - (ii) paid the amount of interim dividend within the stipulated time limits of 5 days to the shareholders;
 - (iii) paid the amount of dividend declared within the statutory time limit from the date of declaration of such dividend and hence there was no amount required to be transferred to the unpaid dividend account;
 - (iv) no amount due to be transferred to the Investor Education and Protection Fund in respect of unpaid dividend account or application money due for refund or matured deposits or matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years;
 - (v) duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There were no appointment of additional directors, alternate directors and directors to fill casual vacancies, during the financial year under review.
15. The Company has not appointed any Managing Director / Whole time Director / Manager during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year under review.
17. The Company was not required to obtain any approvals from the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year under review.

COMPLIANCE CERTIFICATE

18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not allotted any equity shares or any other securities during the financial year under review and hence no comment is invited.
20. The Company has not bought back any shares during the financial year under review.
21. The Company has not issued any preference shares/debentures and consequently there is no redemption of preference shares/debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance any corporate benefits of the members pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of the provisions of Sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975 during the financial year under review.
24. The Company has not borrowed any money exceeding limit provided under provisions of Section 293 (1) (d) of the Act, during the financial year ending 31st March, 2014.
25. The Company has not made any loans or advances or investments or given guarantees or provided securities to other bodies corporate attracting the Provisions of Section 372 A of the Act. The Company was not required to make any entries in the register required to be kept for the purpose.
26. The Company has not altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the financial year under review.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the Company during the financial year under review.
28. The Company has not altered the provisions of the Memorandum of Association with respect to name of the Company during the financial year under review.
29. The Company has not altered the provisions of the memorandum with respect to share capital of the Company during the financial year under review.
30. The Company has not altered any provisions of its Articles of Association during the financial year under review.
31. As explained to us, there was no prosecution initiated against or show cause notices received by the Company for alleged offenses under the Act and no fines and penalties or any other punishment was imposed on the Company during the financial year under review.
32. As explained to us, the Company has not received any money as security from its employees during the financial year under review.
33. The Company has no outstanding amount to be deposited with the prescribed authority pursuant to the provisions of Section 418 of the Act.

For Nilesh Shah & Associates
Company Secretaries
(Nilesh Shah)
Partner (FCS – 4554)
C.P.No.: 2631

Place : Mumbai
Date : May 9, 2014

COMPLIANCE CERTIFICATE

Annexure - A

Sr. No.	Registers maintained by the Company	Under Section
1.	Register of Members	150
2.	Minutes Books of proceedings of: 1. Meetings of the Board of Directors. 2. General Meetings	193
3.	Register of contracts, companies and firms in which directors are interested	301
4.	Register of Directors, Managers and Secretary	303
5.	Register of Directors' Shareholdings	307
6.	Register of Charges	143
7.	Register of Renewed and Duplicate Certificate	Issue of Share Certificate Rules
8.	Register of Share Application and Allotment	Voluntary
9.	Register of Directors Attendance	Voluntary
10.	Register of Members Attendance	Voluntary
11.	Register of Share Transfer	Voluntary (108)

For Nilesh Shah & Associates
Company Secretaries
(Nilesh Shah)
Partner (FCS – 4554)
C.P.No.: 2631

Place : Mumbai
Date : May 9, 2014

Annexure - B

Sr. No.	Form No.	Section	Purpose	Date of Filing & SRN
1	Form 66 (Compliance Cert) Dated: 31.03.2013	383A	As required under Companies (Compliance Certificate) Rules, 2001.	Q10033132 12.08.2013
2	Form 23AC / Form 23ACA XBRL (Annual Accounts) Dated: 31.03.2013	210	As per requirement of the Act	Q10250520 20.08.2013
3	Form 20B (Annual Return) Dated: 22.07.2013	159	As per requirement of the Act	Q10632099 31.08.2013

For Nilesh Shah & Associates
Company Secretaries
(Nilesh Shah)
Partner (FCS – 4554)
C.P.No.: 2631

Place : Mumbai
Date : May 9, 2014

CONCORDE AIR LOGISTICS LIMITED
BALANCE SHEET AS AT MARCH 31, 2014

	Note	As at March 31, 2014 in ₹ ('000)	As at March 31, 2013 in ₹ ('000)
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	1,100	1,100
Reserves and Surplus	4	30,064	71,310
		31,164	72,410
NON-CURRENT LIABILITIES			
Long-term Provisions	5	2,640	2,590
CURRENT LIABILITIES			
Trade Payables	6	24,099	21,915
Other Current Liabilities	7	1,434	1,374
Short-term Provisions	8	190	80
		25,723	23,369
TOTAL		59,527	98,369
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	9	2,732	3,034
Intangible Assets	9	176	1,612
		2,908	4,646
Non-Current Investments	10	50	50
Deferred Tax Assets (Net)	11	852	747
Long-term Loans and Advances	12	39,610	18,973
Other Non-current Assets	13	409	356
		43,829	24,772
CURRENT ASSETS			
Trade Receivables	14	9,632	21,574
Cash and Bank Balances	15	5,126	51,637
Short-term Loans and Advances	16	940	299
Other Current Assets	17	-	87
		15,698	73,597
TOTAL		59,527	98,369

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

Neeraj Gupta
Partner
Membership No. 055158

Place : Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

V. N. Iyer
Director

Tushar Gunderia
Director

D. Basappa
Director

Place : Mumbai
Date: May 9, 2014

CONCORDE AIR LOGISTICS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Note	Year ended March 31, 2014 in ₹ ('000)	15 Months ended March 31, 2013 in ₹ ('000)
REVENUE			
Revenue from Operations	18	41,291	51,980
Other Income	19	1,331	5,838
Total Revenue		42,622	57,818
EXPENSES			
Freight, Handling and Servicing Costs	20	5,278	4,772
Employee Benefits Expense	21	17,301	19,022
Depreciation and Amortisation Expense	22	1,945	2,388
Other Expenses	23	2,800	2,890
Total Expenses		27,324	29,072
PROFIT BEFORE TAX		15,298	28,746
Tax expense :			
Current Tax		5,171	9,130
Deferred Tax		(105)	(212)
Taxation in respect of earlier years		-	(709)
PROFIT FOR THE YEAR/PERIOD		10,232	20,537
Earnings per Equity share [Refer note 24]			
[Nominal value of share ₹ 10 each] (Previous Period - ₹ 10)			
Basic Earnings Per Share (in ₹)		93.02	186.70
Diluted Earnings Per Share (in ₹)		93.02	186.70

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

Neeraj Gupta
Partner
Membership No. 055158

Place : Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

V. N. Iyer
Director

Tushar Gunderia
Director

D. Basappa
Director

Place : Mumbai
Date: May 9, 2014

CONCORDE AIR LOGISTICS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	Year ended March 31, 2014 in ₹ ('000)	15 Months ended March 31, 2013 in ₹ ('000)
A. Cash flows from Operating activities:		
Profit before Tax	15,298	28,746
Adjustments for:		
Depreciation and Amortisation Expense	1,945	2,388
Interest Income	(709)	(1,754)
Dividend Income	(612)	(3,148)
Provision for Gratuity	186	287
Provision for Compensated Absences	(26)	272
Operating profit before working capital changes	16,082	26,791
Adjustments for changes in working capital :		
Decrease / (Increase) in Trade Receivable	11,942	(10,795)
(Increase) / Decrease in Loans and Advances	(640)	1,016
Increase in Trade and Other Payables	2,244	2,296
Cash generated from Operations	29,628	19,308
Taxes paid (Net of refunds)	(25,808)	(17,057)
Net cash generated from Operating activities (A)	3,820	2,251
B. Cash flows from Investing activities:		
Purchase of Fixed Assets	(208)	(2,440)
Interest Received	744	2,693
Dividend Received	611	3,866
Investments in Mutual funds	(126,500)	(123,000)
Investments in Bank Deposits as Margin money for Bank Guarantees	-	(100)
Redemptions from mutual funds	126,500	143,000
Net cash generated from Investing activities (B)	1,147	24,019
C. Cash flows from Financing activities:		
Net cash from Financing activities (C)		
Dividend Paid	(44,000)	-
Dividend distribution tax paid	(7,478)	-
Net cash used in Financing activities (C)	(51,478)	-
Net (Decrease) / Increase in Cash and Cash Equivalents (A+B+C)	(46,511)	26,270
Cash and cash equivalents at the beginning of the year/period	51,637	25,367
Cash and cash equivalents at the end of the year/period	5,126	51,637
	As at	As at
	March 31, 2014	March 31, 2013
	in ₹ ('000)	in ₹ ('000)
Cash and cash equivalents comprise of:		
Cash on hand	46	8
Balance with Scheduled Banks on Current Accounts	5,080	6,629
on Deposit Accounts	-	45,000
	5,126	51,637

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 the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.

This is the Cash Flow Statement referred to in our report of even date

For and on behalf of the Board of Directors

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

V. N. Iyer
Director

Tushar Gunderia
Director

Neeraj Gupta
Partner
Membership No. 055158

D. Basappa
Director

Place : Mumbai
Date: May 9, 2014

Place : Mumbai
Date: May 9, 2014

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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 circular 15/2013 dated 13.09.2013 read with circular 08/2014 dated 04.04.2014, 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] and the other relevant provisions of the Companies Act, 1956.

All the 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 Revised Schedule VI to the Companies Act, 1956. 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 the Schedule XIV to the Act, except in respect of the following assets where

such rates arrived at are higher based on the useful lives estimated by the Management.

Description of Assets	Useful Life (in years)
Office Equipment	15
Electrical Equipment	15

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 the estimated useful economic life at the rates specified in Schedule XIV to the Act, as prescribed for computers.

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 an indication that assets (tangible or intangible) may be impaired. If any indication exists, the Company estimates the assets' recoverable amount. An assets' recoverable amount is the higher of an assets' 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 an 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 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. 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.

SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2014

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 Plan:

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 Plan

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

- (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 the Balance sheet 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.

g. 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.

h. 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.

i. 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.

SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ ('000)	As at March 31, 2013 in ₹ ('000)
3. Share Capital		
Authorised		
200,000 equity shares of ₹ 10 each	2,000	2,000
Issued, Subscribed and Paid up		
110,000 equity shares of ₹ 10 each fully paid-up	1,100	1,100
Total	1,100	1,100

a. Reconciliation of the number of shares

	As at March 31, 2014		As at March 31, 2013	
	Number of shares	Amount in ₹ ('000)	Number of shares	Amount in ₹ ('000)
Balance as at the beginning of the year/period	110,000	1,100	110,000	1,100
Additions/Deletions during the year/period	-	-	-	-
Balance as at the end of the year/period	110,000	1,100	110,000	1,100

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 has declared and paid interim dividend in Indian Rupees.

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 Period: 110,000) equity shares of ₹ 10 each fully paid up

As at March 31, 2014 in ₹ ('000)	As at March 31, 2013 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, 2014		As at March 31, 2013	
	No. of shares	% held as at	No. of shares	% held as at
Blue Dart Express Limited	110,000	100	110,000	100

SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ ('000)	As at March 31, 2013 in ₹ ('000)
4 RESERVES AND SURPLUS		
Securities Premium Reserve		
Balance as at the beginning of the year/period	13,500	13,500
Addition/utilisation during the year/period	-	-
Balance as at the end of the year/period	13,500	13,500
General Reserve		
Balance as at the beginning of the year/period	-	-
Add : Transferred from Surplus in Statement of Profit and Loss during the year/period	4,500	-
Balance as at the end of the year/period	4,500	-
Surplus from the Statement of Profit and Loss		
Balance as at the beginning of the year/period	57,810	37,273
Add: Net Profit for the year/period	10,232	20,537
Less: Appropriations	-	-
Interim Dividend	44,000	-
Dividend Distribution Tax	7,478	-
Transfer To General Reserve	4,500	-
Balance as at the end of the year/period	12,064	57,810
Total	30,064	71,310
5 Long term provision		
Provision for Employee benefits:		
- Provision for Gratuity [Refer notes 2(f), 2(h) and 21]	2,044	1,948
- Provision for Compensated Absences [Refer notes 2(f), 2(h) and 21]	596	642
Total	2,640	2,590
6 Trade Payables		
Trade Payables (Refer note 27 for details of dues to micro and small enterprises)	24,099	21,915
Total	24,099	21,915
7 Other current liabilities		
Employee benefits payable	150	160
Statutory Dues (including Provident Fund, Employee State Insurance, Professional tax and Tax deducted at Source)	1,284	1,214
Total	1,434	1,374
8 Short Term Provisions		
Provision for Employee benefits:		
Provision for Gratuity [Refer notes 2(f), 2(h) and 21]	121	31
Provision for Compensated Absences [Refer notes 2(f), 2(h) and 21]	69	49
Total	190	80

SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2014

9 Fixed Assets [Refer Notes 2(b), 2(c) and 22]

in ₹ ('000)

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	Opening Balance as at April 1, 2013	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Opening Balance as at April 1, 2013	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2013
Tangible Assets:										
Buildings	2,022	-	-	2,022	2,018	-	-	2,018	4	4
Office Equipment	195	-	-	195	107	7	-	114	81	88
Electrical Equipment	764	-	-	764	118	58	-	176	588	646
Computers	682	144	-	826	488	85	-	573	253	194
Furniture and Fixtures	1,655	-	-	1,655	84	105	-	189	1,466	1,571
Vehicles	2,016	-	-	2,016	1,485	191	-	1,676	340	531
Total Tangible Assets	7,334	144	-	7,478	4,300	446	-	4,746	2,732	3,034
Previous Year	4,739	2,595	-	7,334	3,776	524	-	4,300	3,034	

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK	
	Opening Balance as at April 1, 2013	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Opening Balance as at April 1, 2013	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2013
Intangible Assets:										
Goodwill	14,900	-	-	14,900	13,291	1,490	-	14,781	119	1,609
Computer Software	33	63	-	96	30	9	-	39	57	3
Total Intangible Assets	14,933	63	-	14,996	13,321	1,499	-	14,820	176	1,612
Previous Year	14,933	-	-	14,933	11,457	1,864	-	13,321	1,612	

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]

Total

**As at March
31, 2014
in ₹ ('000)**

**As at March
31, 2013
in ₹ ('000)**

50

50

50

50

11 Deferred Tax Assets (Net)

[Refer note 2(g)]

Deferred Tax Assets

Provision for Compensated Absences

Provision for Gratuity

Provision for Bonus

Deferred Tax Liability

Depreciation/Amortisation

Total

216

224

702

642

49

-

967

856

115

119

852

747

SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ ('000)	As at March 31, 2013 in ₹ ('000)
12 Long term loans and advances (Unsecured, considered good)		
Trade deposits	25	25
Rental deposits (staff accommodation)	100	100
Advance income taxes [Net of provision for taxation ₹21,006 ('000) Previous Period ₹ 16,601 ('000)]	39,485	18,848
Total	39,610	18,973
13 Other Non-Current Assets		
Current bank balances held as Margin money deposit against Guarantees	356	356
Interest accrued but not due	53	-
Total	409	356
14 Trade Receivables [Refer note 26(d)] (Unsecured, considered good)		
Outstanding for a period exceeding six months	-	-
Other Receivables	9,632	21,574
Total	9,632	21,574
15 Cash and Bank balances Cash and cash equivalents		
Cash on Hand	46	8
Balance with banks :		
In current accounts	5,080	6,629
Deposits with maturity period less than 3 months	-	45,000
Total	5,126	51,637
16 Short term loans and advances (Unsecured, considered good)		
Prepaid Expenses	258	268
Balance with from Government authorities	66	22
Other advances	616	9
Total	940	299
17 Other current assets		
Interest accrued but not due	-	87
Total	-	87

SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014 in ₹ ('000)	15 Months ended March 31, 2013 in ₹ ('000)
18 Revenue from Operations		
Income from Service Charges [Refer note 2(e)]	36,785	42,999
Income from Commission [Refer note 2(e)]	4,506	8,981
Total	41,291	51,980
19 Other Income [Refer note 2(e)]		
Interest on		
- Fixed deposits	709	1,082
- Income tax refund	-	672
Dividend income	612	3,148
Miscellaneous Income	10	936
Total	1,331	5,838
20 Freight, Handling and Servicing Costs		
Handling and clearing charges	4,146	3,487
Domestic network operating costs	1,005	1,164
Printing, stationery and consumables	127	121
Total	5,278	4,772
21 Employee Benefits Expense		
Salaries, Wages, Bonus and Leave Encashment	16,273	17,462
Contribution to Provident and other funds	902	1,408
Staff welfare expenses	126	152
Total	17,301	19,022

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/period, 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, 2014 in ₹ ('000)	15 Months ended March 31, 2013 in ₹ ('000)
- Employers' Contribution to Provident Fund	395	404
- Employers' Contribution to Employee's State Insurance	69	114
- Employers' Contribution to Employee's Pension Scheme 1995	198	227

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, 2014	As at March 31, 2013
Discount Rate (per annum)	9.31%	8.00%
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, 2014

	As at March 31, 2014 in ₹ ('000)	As at March 31, 2013 in ₹ ('000)			
A) Changes in the Present Value of Obligation					
Present Value of Obligation at the beginning of the year/period	1,979	1,691			
Interest Cost	159	196			
Past Service Cost	Nil	Nil			
Current Service Cost	175	174			
Curtailment Cost / (Credit)	Nil	Nil			
Settlement Cost / (Credit)	Nil	Nil			
Benefits Paid	Nil	(319)			
Actuarial (gain) / loss on obligations	(148)	237			
Present Value of Obligation as at Year/Period end	2,165	1,979			
B) Amount recognised in the Balance Sheet					
Present Value of Obligation at the end of the year/period	(2,165)	(1,979)			
Fair Value of Plan Assets as at the end of the year/period	Nil	Nil			
Unfunded net Liability recognised in the Balance Sheet	(2,165)	(1,979)			
Recognised under:					
Long term provisions (Refer note 5)	2,044	1,948			
Short term provisions (Refer note 8)	121	31			
C) Expenses recognised in the Statement of Profit and Loss					
Current Service Cost	175	174			
Past Service Cost	Nil	Nil			
Interest Cost	159	196			
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/period	(148)	237			
Total Expenses recognised in the Statement of Profit and Loss	186	607			
(D) Net Asset/ (Liability) recognised in the Balance Sheet					
	Year ended March 31, 2014 in ₹ ('000)	15 Months ended March 31, 2013 in ₹ ('000)	Year ended December 31, 2011 in ₹ ('000)	Year ended December 31, 2010 in ₹ ('000)	Year ended December 31, 2009 in ₹ ('000)
Present Value of Obligation at the end of the year/period	2,165	1,979	1,691	1,471	1,207
Fair value of Plan Assets at the end of the year/period	Nil	Nil	Nil	Nil	Nil
Asset / (Liability) recognised in the Balance Sheet	(2,165)	(1,979)	(1,691)	(1,471)	(1,207)
Experience Adjustments:					
On Plan Liabilities (gain)/ loss	(148)	237	(43)	108	(54)
On Plan Assets gain/ (loss)	Nil	Nil	Nil	Nil	Nil

III. COMPENSATED ABSENCES

The liabilities for Compensated Absences as at the year end were ₹ 665 ('000) [Previous Period ₹ 691 ('000)]. (Refer notes 5 and 8)

SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014 in ₹ ('000)	15 months ended March 31, 2013 in ₹ ('000)
22 Depreciation and Amortisation expense		
Depreciation on Tangible assets	446	524
Amortisation on Intangible assets	1,499	1,864
Total	1,945	2,388
23 Other Expenses		
Legal & Professional charges	601	651
Payment to Auditors :		
Statutory Audit fees	300	300
Tax Audit fees	100	100
Reimbursement of Expenses	19	14
Office expenses	171	238
Electricity	217	154
Communication expenses	269	354
Rates and taxes	49	49
Repairs and maintenance - others	140	80
Travelling and conveyance	615	646
Insurance	319	304
Total	2,800	2,890
24 Earnings Per Share (EPS)		
Profit for the year/Period (in ₹ '000)	10,232	20,537
Weighted Average number of Equity shares (Nos.)	110,000	110,000
Basic and Diluted Earnings per share (in ₹)	93.02	186.70
Face value per Equity share (in ₹)	10	10
25 The Company is primarily engaged in a single segment business 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 acquired 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, 2014 and as on that date.		
26 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 / Period		
(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.	
(iii) DHL Express (India) Private Limited	Enterprise where common control exists	
(c) Transactions with related parties during the year/period :		
(i) <u>With Holding Company</u>		
Blue Dart Express Limited		
Recoveries towards air freight, etc	(598,817)	(563,034)
Dividend paid	44,000	-
(ii) <u>With Enterprises over which Blue Dart Express Limited is able to exercise significant influence.</u>		

SCHEDULES

Notes forming part of the Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014 in ₹ ('000)	15 Months ended March 31, 2013 ₹ ('000)
Blue Dart Aviation Limited		
Reimbursement of expenses	(14,485)	(15,562)
Service Charges	(1,974)	(2,101)
(iii) <u>Other related parties where common control exists and transactions have taken place during the year April 01, 2013 - March 31, 2014</u>		
DHL Express (India) Private Limited		
Reimbursement of expenses	-	(11)
Service Charges	-	(21)
(d) Related party balances at the year/period end:		
Receivable/(Payable) from Holding Company		
Blue Dart Express Limited	9,625	21,561
Receivable/(Payable) - Other		
DHL Express (India) Private Limited	-	12

27 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.

28 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

The current accounting year is for twelve months from April 1, 2013 to March 31, 2014, whereas the previous accounting period was for fifteen months from January 1, 2012 to March 31, 2013. Hence, figures for the current year are not comparable with those of the previous period. Previous period's figures have been regrouped/rearranged, wherever necessary to confirm to the current year's classification.

Signatures to Notes 1 to 28 from an integral part of the financial statements.

As per our report of even date

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No. 055158

Place : Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

V. N. Iyer
Director

Tushar Gunderia
Director

D. Basappa
Director

Place : Mumbai
Date: May 9, 2014

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Blue Dart Express Limited

1. We have audited the accompanying Consolidated Financial Statements (the "Consolidated Financial Statements") of Blue Dart Express Limited ("the Company") and its subsidiary and associate company, hereinafter referred to as the "Group" (refer Note 37 to the attached Consolidated Financial Statements), which comprise the Consolidated Balance Sheet as at March 31, 2014 and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Consolidated Financial Statements

2. The Company's Management is responsible for the preparation of these Consolidated Financial Statements 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. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards 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.
4. 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the Consolidated Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the Consolidated Financial Statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. We report that the Consolidated Financial Statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements and Accounting Standard (AS) 23 – Accounting for Investments in Associates in Consolidated Financial Statements notified under the Companies Act, 1956 read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
7. In our opinion and to the best of our information and according to the explanations given to us, the accompanying Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
 - (b) in the case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership Number: 055158

Place: Mumbai
Date: May 9, 2014

BLUE DART EXPRESS LIMITED (CONSOLIDATED)
BALANCE SHEET AS AT MARCH 31, 2014

	Note	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	3	2,376	2,376
Reserves and Surplus	4	61,920	63,615
		64,296	65,991
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)	5	1,746	1,479
Long-term Provisions	6	942	966
		2,688	2,445
CURRENT LIABILITIES			
Trade Payables	7	10,733	7,291
Other Current Liabilities	8	11,714	8,805
Short-term Provisions	9	4,591	20,541
		27,038	36,637
TOTAL		94,022	105,073
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	10	18,800	18,278
Intangible Assets	10	4,001	3,786
Capital Work-in-Progress		112	486
Intangible Assets under development		734	742
		23,647	23,292
Non-Current Investments	11	2,433	2,275
Long-term Loans and Advances	12	23,591	26,971
Other Non-Current Assets	13	47	31
		26,071	29,277
CURRENT ASSETS			
Inventories	14	272	235
Trade Receivables	15	26,672	22,721
Cash and Bank Balances	16	10,644	24,165
Short-term Loans and Advances	17	6,711	5,357
Other Current Assets	18	5	26
		44,304	52,504
TOTAL		94,022	105,073

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

Neeraj Gupta

Partner

Membership No. 055158

Place: Mumbai

Date: May 9, 2014

For and on behalf of the Board of Directors

Sharad Upasani

Chairman

Anil Khanna

Managing Director

Malcolm Monteiro

Director

Suresh G. Sheth

Director

Yogesh Dhingra

Chief Financial Officer &

Chief Operating Officer

Tushar Gunderia

Company Secretary

Place: Mumbai

Date: May 9, 2014

BLUE DART EXPRESS LIMITED (CONSOLIDATED)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Note	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
REVENUE			
Revenue from Operations	19	193,828	217,171
Other Income	20	3,770	3,999
Total Revenue		197,598	221,170
EXPENSES			
Freight, Handling and Servicing Costs (Net)	21	132,782	141,070
Employee Benefits Expense	22	26,658	30,019
Finance Costs	23	3	1
Depreciation and Amortisation Expense	24	2,729	3,472
Other Expenses	25	16,976	19,199
Total Expenses		179,148	193,761
PROFIT BEFORE TAX		18,450	27,409
Tax Expense:			
Current Tax		6,090	8,678
Deferred Tax		267	(340)
Taxation in Respect of Earlier Years		(9)	-
PROFIT AFTER TAXATION, BEFORE SHARE OF ASSOCIATE'S PROFIT		12,102	19,071
Share of Associate's Profit		158	257
PROFIT AFTER SHARE OF ASSOCIATE'S PROFIT		12,260	19,328
Earnings Per Equity Share [Refer note 26] [Nominal value of share ₹ 10 each] (Previous Period - ₹ 10)			
Basic Earnings Per Share (in ₹)		51.67	81.46
Diluted Earnings Per Share (in ₹)		51.67	81.46

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

Neeraj Gupta
Partner
Membership No. 055158

Place: Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

Sharad Upasani
Chairman

Suresh G. Sheth
Director

Place: Mumbai
Date: May 9, 2014

Anil Khanna
Managing Director

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

Malcolm Monteiro
Director

Tushar Gunderia
Company Secretary

BLUE DART EXPRESS LIMITED (CONSOLIDATED)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
A. Cash flows from Operating activities:		
Profit before Taxation	18,450	27,409
Adjustments for:		
Depreciation and Amortisation Expense	2,729	3,472
Interest expense	3	1
Interest income	(2,830)	(2,799)
Dividend from mutual funds	(472)	(984)
Dividend from subsidiary	-	-
(Gain)/Loss on sale/scraping of fixed assets (Net)	(219)	1,075
Gain on account of Foreign exchange	(56)	(45)
Bad debts/advances written off	100	87
Liabilities no longer required written back	(164)	(445)
Provision for Compensated Absences	53	390
Provision for Gratuity	(481)	501
Provision for Managing Directors' commission	75	73
Operating profit before working capital changes	17,188	28,735
Adjustments for changes in working capital:		
(Increase)/Decrease in Inventories	(37)	27
(Increase) in Trade Receivables	(3,995)	(3,864)
(Increase)/Decrease in Loans and advances	(1,377)	313
Increase in Trade payables and other current liabilities	6,351	1,859
Cash generated from Operations	18,130	27,070
Taxes paid (net of refunds)	(6,121)	(8,819)
Net cash from Operating activities	12,009	18,251
B. Cash flows from Investing activities:		
Purchase of fixed assets	(3,422)	(3,223)
Changes in capital work in progress	391	(1,003)
Proceeds from sale of fixed assets	309	50
Interest received/settled	2,851	2,773
Dividend from mutual funds	472	1,070
Investments in mutual funds	(196,125)	(218,887)
Redemptions from mutual funds	196,125	224,257
Loans granted to Associate	(1,464)	(3,956)
Loans repaid/settled by Associate	4,730	1,379
Inter-corporate Deposits granted to Associate	(15,170)	(7,505)
Inter-corporate Deposits repaid/settled by Associate	15,170	7,505
Investment in Bank fixed deposits	(16)	-
Net cash from Investing activities	3,851	2,460
C. Cash flows used in Financing activities:		
Interest paid	(3)	(1)
Dividend paid	(25,152)	(476)
Dividend tax paid	(4,274)	(77)

BLUE DART EXPRESS LIMITED (CONSOLIDATED)
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
Net cash used in Financing activities	(29,429)	(554)
Net change in Cash and Cash Equivalents	(13,569)	20,157
Cash and cash equivalents at the beginning of the year/period	24,158	4,001
Cash and cash equivalents at the end of the year/period	10,589	24,158
Cash and Cash Equivalents:		
Cash on hand	187	80
Cheques and Drafts on hand	1,552	1,415
Balances with banks:		
In current accounts	6,150	5,963
Deposits with maturity period less than 3 months	2,700	16,700
	10,589	24,158
Other Bank balances:		
On Unpaid dividend accounts	55	7
	10,644	24,165

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 the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
- Previous period's figures have been regrouped/rearranged wherever necessary to conform to the current year's classification (Refer note 36).

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

Neeraj Gupta
Partner
Membership No. 055158

Place: Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

Sharad Upasani
Chairman

Suresh G. Sheth
Director

Place: Mumbai
Date: May 9, 2014

Anil Khanna
Managing Director

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

Malcolm Monteiro
Director

Tushar Gunderia
Company Secretary

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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 is 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 circular 15/2013 dated 13.09.2013 read with circular 08/2014 dated 04.04.2014, 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] and the other relevant provisions of the Companies Act, 1956.

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 the Companies Act, 1956 (the "Act") read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 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 Revised Schedule VI to the Companies Act, 1956. 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

are 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.

Aircraft Components and Overhaul represent 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 program, as applicable.

Capital work-in-progress comprises outstanding advances paid to acquire fixed assets that are not yet ready for their intended use at the reporting date.

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 and 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 registration.

Intangible assets under development comprises cost relating to development of software that are not yet ready for their intended use at the reporting date.

Depreciation

Depreciation on tangible assets is calculated on a straight-line basis as per the rates as prescribed under the Schedule XIV to the Act, except in respect of the following assets where such rates arrived at are higher based on the useful lives estimated by the management.

Office Equipment	2 to 16 years
Electrical Equipment	6 to 16 years
Computers	3 to 6 years
Aircraft Engines	2 to 7 years
Aircraft	14 years

Estimated useful life of the following asset which is not included in Schedule XIV has been arrived at by management as follows:

D-Check on Aircraft	7 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 its put to use.

Computer software, other than internally generated, is amortised under straight line method over the estimated useful economic life at the rates specified in Schedule XIV to the Act, as prescribed for Computers. Internally

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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 10 to 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.

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 such 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 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.

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 difference in exchange rates between the reporting currency and the foreign currency at the date of the transaction.

Exchange differences on restatement 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 is 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 certain employees is made to an insurance company, and has no further obligation beyond making the payment.

The Company 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 when 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 salary and

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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 on a straight line basis over the lease term.

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) 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.

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.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
3. Share Capital		
Authorised		
4,00,00,000 equity shares of ₹ 10 each	4,000	4,000
Issued, Subscribed and Paid up		
2,37,27,934 equity shares of ₹10 each fully paid-up	2,373	2,373
Add: Forfeited Shares	3	3
Total	2,376	2,376

a. Reconciliation of the number of shares	As at 31st March, 2014		As at 31st March, 2013	
	Number of shares	Amount (₹ in lacs)	Number of shares	Amount (₹ in lacs)
Balance as at the beginning of the year/period	2,37,27,934	2,373	2,37,27,934	2,373
Additions/Deletions during the year/period	-	-	-	-
Balance as at the end of the year/period	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, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
DHL Express (Singapore) Pte. Limited, the Holding Company		
1,77,95,950 (Previous Period: 1,77,95,950) 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 st March, 2014		As at 31 st March, 2013	
	Number of shares	% held as at	Number of shares	% held as at
DHL Express (Singapore) Pte. Ltd. Singapore	1,77,95,950	75.00%	17,795,950	75.00%
Derive Trading Private Limited (along with persons acting in concert)	1,270,147	5.35%	1,282,239	5.40%

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
4 RESERVES AND SURPLUS		
Securities Premium Reserve		
Balance as at the beginning of the year/period	3,941	3,941
Addition/Utilisation during the year/period	-	-
Balance as at the end of the year/period	3,941	3,941
General Reserve		
Balance as at the beginning of the year/period	5,282	3,395
Add: Transferred from Surplus in Statement of Profit and Loss during the year/period	1,289	1,887
Balance as at the end of the year/period	6,571	5,282
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year/period	54,392	56,661
Add: Profit for the year/period	12,260	19,328
Less: Appropriations		
Interim Dividend	8,305	-
Proposed Dividend	3,559	16,847
Dividend Distribution Tax	2,091	2,863
Transfer to General Reserve	1,289	1,887
Balance as at the end of the year/period	51,408	54,392
Total	61,920	63,615
5 DEFERRED TAX LIABILITY (NET)		
[Refer note 2(j)]		
Deferred Tax Liability		
Depreciation	2,485	2,374
Gross Deferred Tax Liability	2,485	2,374
Deferred Tax Asset		
Provision for Compensated Absences	440	422
Provision for Bonus	249	267
Provision for Gratuity	25	188
Others	25	18
Gross Deferred Tax Asset	739	895
Total	1,746	1,479

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
6 LONG-TERM PROVISIONS		
Provision for Employee Benefits:		
Provision for Gratuity	20	19
Provision for Compensated Absences [Refer notes 2(h), 2(k) and 22]	922	947
Total	942	966
7 TRADE PAYABLES		
Trade Payables (Refer note 30 for details of dues to Micro and Small Enterprises)	10,733	7,291
Total	10,733	7,291
8 OTHER CURRENT LIABILITIES		
Employee Benefits Payable	1,259	1,307
Unpaid Dividends (Refer note below)	55	7
Statutory Dues (including Provident Fund, Superannuation, Employees State Insurance and Tax Deducted at Source)	386	393
Trade Deposits	1,250	1,219
Payables towards 'Cash on Delivery' shipments (Refer note 16)	4,847	3,643
Other payables	3,917	2,236
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 period end		
Total	11,714	8,805
9 SHORT TERM PROVISIONS		
Provision for Employee Benefits:		
Provision for Gratuity [Refer notes 2(h), 2(k) and 22]	54	536
Provision for Compensated Absences [Refer notes 2(h), 2(k) and 22]	373	295
Other Provisions:		
Provision for Proposed Dividend on Equity Share	3,559	16,847
Provision for Dividend Distribution Tax on Proposed Dividend on Equity Share	605	2,863
Total	4,591	20,541

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

10. FIXED ASSETS

[Refer notes 2(b), 2(c), 24 and 31]

in ₹ Lacs

Description of Assets	GROSS BLOCK (At Cost)				DEPRECIATION				NET BLOCK	
	Opening Balance as at April 1, 2013	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Opening Balance as at April 1, 2013	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2013
Tangible Assets:										
Land - Freehold	3,963	-	-	3,963	-	-	-	-	3,963	3,963
Buildings	2,034	-	1	2,033	466	52	0*	518	1,515	1,568
Office Equipment	1,806	236	60	1,982	617	126	48	695	1,287	1,189
Electrical Equipment	3,926	425	99	4,252	1,484	274	72	1,686	2,566	2,442
Computers	5,653	1,369	394	6,628	3,784	616	391	4,009	2,619	1,869
Furniture and Fixtures	6,261	485	127	6,619	1,998	410	90	2,318	4,301	4,263
Vehicles	464	42	164	342	318	32	151	199	143	146
Aircraft Engines	1,087	-	-	1,087	1,087	-	-	1,087	-	-
Aircraft	3,002	-	-	3,002	1,881	203	-	2,084	918	1,121
Aircraft Components and Overhaul	2,052	-	-	2,052	1,786	45	-	1,831	221	266
D-Check on Aircraft [Refer Note (a) below]	1,146	-	-	1,146	1,146	-	-	1,146	-	-
Ground Handling Equipment	864	29	(8)	901	208	44	0*	252	649	656
Machinery and Equipment	1,155	16	12	1,159	360	187	6	541	618	795
Total Tangible Assets	33,413	2,602	849	35,166	15,135	1,989	758	16,366	18,800	18,278
Previous Period	33,660	2,997	3,244	33,413	14,388	2,563	1,816	15,135	18,278	

Description of Assets	GROSS BLOCK (At Cost)				AMORTISATION				NET BLOCK	
	Opening Balance as at April 1, 2013	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Opening Balance as at April 1, 2013	For the Year	Deductions/ Adjustments	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2014	Closing Balance as at March 31, 2013
Intangible Assets:										
Goodwill	449	-	-	449	433	15	-	448	1	16
Internally Generated Software	2,016	381	-	2,397	252	202	-	454	1,943	1,764
Computer Software	3,791	573	2	4,362	1,785	523	3	2,305	2,057	2,006
Total Intangible Assets	6,256	954	2	7,208	2,470	740	3	3,207	4,001	3,786
Previous Period	5,863	345	(48)	6,256	1,817	909	256	2,470	3,786	

* Amount is below the rounding off norm adopted by the Company

Notes:

- D-Check on Aircraft represents costs incurred towards heavy maintenance and mandatory checks carried out on Aircraft exclusively operated for the Company.
- During the previous period, an amount of ₹ 301 Lacs from the block of Computers, and ₹ 1,715 Lacs from the block of Computer Software had been restated/reclassified into Internally generated software aggregating to ₹ 2,016 Lacs. Consequently, depreciation for the previous period was lower by ₹ 156 Lacs and Profit Before Tax was higher by the same amount.
- Deductions/Adjustments include reclassification from one category to another category of asset.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
11 NON-CURRENT INVESTMENTS		
Trade investments (valued at cost) [Refer note 2(d)]		
Unquoted equity investments		
Investment in Associate		
1,17,60,000 (Previous Period - 1,17,60,000) equity shares of ₹10 each in Blue Dart Aviation Limited	1,831	1,831
Add: Group's share of Profit	602	444
Total	2,433	2,275
Aggregate amount of unquoted investments	2,433	2,275
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*
	0*	0*
* Amount is below the rounding off norm adopted by the Company		
12 LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good, unless otherwise stated)		
Loan to Associate (Refer note 33)	15,930	19,499
Aircraft Payload Deposit to Associate	2,150	2,150
Advance income tax [net of provision for taxation ₹ 30,571 (in lacs), Previous period ₹ 24,415 (in lacs)] [Refer note 2(j)]	1,334	1,369
Capital advances	86	188
Deposits	4,014	3,706
Other loans and advances:		
Prepaid expenses	77	59
Total	23,591	26,971
13 OTHER NON-CURRENT ASSETS		
Margin money deposit	33	18
Long term deposits with banks with maturity period more than 12 months	14	13
Total	47	31
14 INVENTORIES [Refer note 2(e)]		
Packing and Stationery Consumables	272	235
Total	272	235

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
15 TRADE RECEIVABLES [Refer note 29(D)(i)] (Unsecured, considered good)		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other receivables	26,672	22,721
Total	26,672	22,721
16 CASH AND BANK BALANCES		
Cash and Cash Equivalents:		
Cash on hand	187	80
Cheques and Drafts on hand	1,552	1,415
Balances with banks:		
In current accounts	6,150	5,963
Deposits with maturity period less than 3 months	2,700	16,700
	10,589	24,158
Other Bank balances:		
Unpaid dividend accounts	55	7
Deposits with maturity period more than 3 months but less than 12 months	-	-
Total	10,644	24,165
Bank balances in current account includes ₹ 3,902 (lacs) [Previous Period - ₹ 3,519 (lacs)] being collections on 'Cash on Delivery' shipments held on behalf of customers. (Refer note 8)		
17 SHORT-TERM LOANS AND ADVANCES (Unsecured, considered good, unless otherwise stated)		
Loan to Associate (Refer note 33)	3,569	3,266
Other loans and advances:		
Prepaid expenses	748	629
Loan and advances to employees	40	54
Octroi Recoverable	821	988
Balances with Government Authorities	316	230
Others	1,217	190
Total	6,711	5,357
Loans to employees include:		
Due from an officer	12	15
18 OTHER CURRENT ASSETS (Unsecured, considered good)		
Interest accrued on Deposits	5	26
Total	5	26

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	Year Ended March 31, 2014 in ₹ Lacs	15 Months Ended March 31, 2013 in ₹ Lacs
19 REVENUE FROM OPERATIONS		
Service charges [Refer note 2(f)]	193,619	216,636
Other Operating income:		
Liability no longer required written back	164	445
Commission	45	90
Total	193,828	217,171
20 OTHER INCOME		
Dividend from Mutual Funds	472	984
Gain on sale/scrapping of fixed assets (Net)	219	-
Interest on Loan to Associate [Refer note 2(f)]	2,262	2,616
Interest on Inter-Corporate Deposit to Associate [Refer note 2(f)]	155	54
Interest on deposits with banks [Refer note 2(f)]	413	129
Net Gain on Foreign Currency Transactions and Translation	56	45
Miscellaneous income	193	171
Total	3,770	3,999
21 FREIGHT, HANDLING AND SERVICING COSTS		
Aircraft charter costs	62,562	71,227
Domestic network operating costs	42,744	42,980
International servicing charges	10,447	10,762
Domestic excess baggage	9,501	8,576
Handling and clearing charges	5,011	4,995
Printing, stationery and consumables	2,517	2,530
Total	132,782	141,070
22 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Leave Encashment	22,876	25,323
Contribution to Provident and other funds	1,472	1,604
Gratuity	65	778
Staff welfare expenses	2,245	2,314
Total	26,658	30,019

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

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/period, 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, 2014 in ₹ Lacs	15 Months Ended March 31, 2013 in ₹ Lacs
- Employers' Contribution to Provident Fund	498	528
- Employers' Contribution to Superannuation Fund	71	86
- Employers' Contribution to Employee's State Insurance	369	397
- Employers' Contribution to Employee's Pension Scheme 1995	428	477

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, 2014	As at March 31, 2013
Discount Rate (per annum)	9.31%	8.00%
Rate of increase in Compensation levels (refer note below)	7.25% / 6.75%	7.25% / 6.75%
Rate of Return on Plan Assets	9.31%	8.00%

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.

	Year Ended March 31, 2014 in ₹ Lacs	15 Months Ended March 31, 2013 in ₹ Lacs
A) Changes in the Present Value of Obligation		
Present Value of Obligation at the beginning of the year/period	3,164	2,353
Interest Cost	254	272
Past Service Cost	NIL	NIL
Current Service Cost	281	265
Curtailment Cost/(Credit)	NIL	NIL
Settlement Cost/(Credit)	NIL	NIL
Benefits Paid	(167)	(236)
Actuarial (gain)/loss on obligations	(227)	510
Present Value of Obligation as at year/period end	3,305	3,164
B) Changes in the Fair value of Plan Assets		
Fair Value of Plan Assets at the beginning of the year/period	2,609	2,299
Expected Return on Plan Assets	209	223
Actuarial Gains and (Loss) on Plan Assets	33	47
Contributions	547	272
Benefits Paid	(167)	(232)
Fair Value of Plan Assets at year/period end	3,231	2,609

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

C) Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets

	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
Present Value of funded obligation as at the year/period end	3,305	3,164
Fair Value of Plan Assets as at the end of the year/period	3,231	2,609
Funded Status	(74)	(555)
Present Value of unfunded Obligation as at the year/period end	(74)	(555)
Unrecognised Actuarial (gains)/losses	NIL	NIL
Unfunded Net Liability recognised in Balance Sheet	(74)	(555)

D) Amount recognised in the Balance Sheet

Present Value of Obligation at the end of the year/period	(3,305)	(3,164)
Fair Value of Plan Assets at year/period end	3,231	2,609
Liability recognised in the Balance Sheet	(74)	(555)

Recognised under:

Long term provisions (Refer note 6)	20	19
Short term provisions (Refer note 9)	54	536

E) Expenses recognised in the Statement of Profit and Loss

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
Current Service Cost	281	265
Past Service Cost	NIL	NIL
Interest Cost	254	272
Expected Return on Plan Assets	(209)	(223)
Curtailement Cost/(Credit)	NIL	NIL
Settlement Cost/(Credit)	NIL	NIL
Net actuarial (gain)/loss recognised in the year/period	(261)	464
Total expenses/(gain) recognised in the Statement of Profit and Loss	65	778

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 Financial Statements as of and for the year ended March 31, 2014

G) Expected gratuity contribution for the next year is aggregating ₹ 324 (lacs) [Previous Period ₹ 567 (lacs)].

I. Net Asset/(Liability) recognised in Balance Sheet:

	Year ended March 31, 2014	Period ended March 31, 2013	Year ended December 31, 2011	Year ended December 31, 2010	Year ended December 31, 2009
	in ₹ Lacs				
a) Present Value of Obligation at the close of the year/period	3,305	3,164	3,164	(2,121)	(1,762)
b) Fair Value of Plan Assets at the close of the year/period	3,231	2,609	2,299	2,029	1,706
c) Asset/(Liability) recognised in the Balance Sheet	(74)	(555)	(555)	(91)	(56)
Change in Define Benefit Obligation (DBO) during the year/period					
d) Actuarial (gain)/loss	(227)	510	(65)	84	(204)
Change in the Fair Value of Plan Assets					
e) Actuarial gain/(loss)	33	47	33	(10)	19
Experience Adjustments					
f) Experience Adjustment on plan liabilities (gain)/loss	238	(6)	149	84	(86)
g) Experience Adjustment on plan assets (gain)/loss	(33)	(47)	33	(10)	19

II. Actuarial Assumptions:

	Year ended March 31, 2014	Period ended March 31, 2013	Year ended December 31, 2011	Year ended December 31, 2010	Year ended December 31, 2009
Discount Rate	9.31%	8.00%	9.25%	8.50% / 8.25%	8.50% / 8.25%
Expected Return on Plan Assets	9.31%	8.00%	7.75%	7.75%	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 ₹ 1,295 (lacs) [Previous Period ₹ 1,242 (lacs)] (Refer note 6 and 9)

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
23 FINANCE COSTS		
Interest on Bank Overdraft	3	1
Total	3	1
24 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible assets	1,989	2,563
Amortisation on Intangible assets	740	909
Total	2,729	3,472
25 OTHER EXPENSES		
Rent [Refer note 2(i)]	7,735	8,571
Office expenses	1,941	1,915
Security expenses	1,553	1,618
Electricity	1,458	1,523
Repairs and maintenance - others	1,261	1,262
Communication expenses	808	1,022
Directors sitting fees	5	7
Legal and professional	556	504
Payment to Auditors		
As auditor:		
Statutory Audit fees	43	43
Tax Audit fees	6	9
Reimbursement of Expenses	11	8
Other Matters	34	33
Rates and taxes	462	494
Travelling and conveyance	282	298
Lease rentals [Refer note 2(i)]	225	262
Insurance	266	235
Sales promotion and advertising	198	215
Bad debts written off	100	87
Loss on sale/scraping of fixed assets (Net)	-	1,075
Miscellaneous expenses	32	18
Total	16,976	19,199
26 EARNINGS PER SHARE		
Profit for the year/period	12,260	19,328
Weighted average number of shares (Nos.)	23,727,934	23,727,934
Basic and Diluted Earnings Per Share (In ₹)	51.67	81.46
Nominal value of shares outstanding (In ₹)	10	10

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

27 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, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
Not later than one year	2,014	2,271
Later than one year and not later than five years	2,154	2,594
Later than five years.	351	103

- 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 ₹ 365 (lacs) [Previous period ₹ 400 (lacs)] 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 office equipments of ₹ 225 (lacs) [Previous period ₹ 262 (lacs)] has been included under the head "Other Expenses - Lease Rentals" under Note 25 forming part of the Statement of Profit and Loss and lease rentals for official and residential premises of ₹ 4,601 (lacs) [Previous period ₹ 5,504 (lacs)] has been included under the head "Other Expenses - Rent" under Note 25 forming part of the Statement of Profit and Loss.

28 SEGMENT INFORMATION

The Company is primarily engaged in a single segment business 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.

29 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
Fellow Subsidiary Company	DHL Express (India) Private Limited, India
Fellow Subsidiary Company	DHL Supply Chain India Private Limited, India (Effective from February 1, 2014)
Fellow Subsidiary Company	DHL Logistics Private Limited, India
Fellow Subsidiary Company	Skyline Air Logistics Limited, India
Associate Company	Blue Dart Aviation Limited, India

(ii) Key Management Personnel

Managing Director	Anil Khanna
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(B) Related party relationships where transactions have taken place during the year/period

(i) Enterprises where control exists

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 (Effective from February 1, 2014)
Fellow Subsidiary Company	DHL Logistics Private Limited, India
Associate Company	Blue Dart Aviation Limited, India

(ii) Key Management Personnel

Anil Khanna	Managing Director
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SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

	Year ended March 31, 2014 in ₹ Lacs	15 Months ended March 31, 2013 in ₹ Lacs
(C) Transactions with related parties during the year/period		
(i) With Holding/Subsidiary/Fellow Subsidiaries/Associate Company		
DHL Express (Singapore) Pte. Limited		
Dividend paid	18,864	385
DHL Express (India) Private Limited		
International servicing cost	10,447	10,762
Domestic service charges income	(5,713)	(6,477)
Reimbursements of expenses	25	57
DHL Supply Chain India Private Limited		
Domestic service charges income	(505)	-
Deposit received/(paid)	(11)	-
DHL Logistics Private Limited		
Domestic service charges income	(2,427)	(3,365)
Deposit received/(paid)	-	11
Reimbursements of expenses	14	16
Blue Dart Aviation Limited		
Aircraft Charter Service Cost	62,562	71,150
Inter Corporate Deposit Granted	15,170	7,505
Inter Corporate Deposit settled/adjusted	(15,170)	(7,505)
Inter Corporate Loan granted	1,464	3,956
Inter Corporate Loan settled/adjusted	(4,730)	(1,379)
Interest income on Loan	(2,262)	(2,616)
Interest income on Inter-Corporate Deposit	(155)	(54)
Domestic service charges income	(35)	(36)
Reimbursements towards air freight, etc	145	156
Recoveries towards Agency charges	20	21
(ii) Corporate guarantees given on behalf of Blue Dart Aviation Limited	10,600	4,600
Note: For the external loan taken by the associate during the year the debt covenants will be met by the company (Previous period- Not Applicable).		
(iii) With Key Management Personnel		
Anil Khanna		
Remuneration	218	249
	As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
(D) Related party balances as at the year/period end		
(i) Receivable/(Payable) from/to Subsidiary/ Fellow Subsidiaries/Associate company		
DHL Express (India) Private Limited (Net)	(1,750)	(1,428)
DHL Supply Chain India Private Limited (Net)	856	-
DHL Logistics Private Limited (Net)	39	353
Blue Dart Aviation Limited (Net)	20,796	24,756
(ii) Payable to Key Management Personnel		
Anil Khanna	75	73

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

30 DUES TO MICRO AND SMALL ENTERPRISES

Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year/period end

As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
191	124
2	1
6	10
-	-
-	-
-	*0
1	1

Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year/period end

Principal amounts paid to suppliers registered under the MSMED Act beyond the appointed day during the year/period

Interest paid, other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year/period

Interest paid, under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year/period

Interest due and payable towards suppliers registered under MSMED Act for payments already made

Further interest remaining due and payable for earlier years

* Amount is below the rounding off norm adopted by the Company

The above information regarding Micro, Small and Medium Enterprises given in note 7 - 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:

Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end

As at March 31, 2014 in ₹	As at March 31, 2013 in ₹
150,102	121,285
-	9,694
121,285	108,011
28,817	13,274

Interest due and payable towards suppliers registered under MSMED Act for payments already made

Further interest remaining due and payable for earlier years

Interest Charge to Statement of Profit and Loss

31 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for [net of advances ₹ 86 (lacs) (Previous Period ₹ 188 (lacs))]

As at March 31, 2014 in ₹ Lacs	As at March 31, 2013 in ₹ Lacs
618	1,204

32 CONTINGENT LIABILITIES [Refer note 2(l)]

Claims against the Company not acknowledged as debt

a) Penalty under Kerala Value Added Tax Act, 2003

909	-
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During the year, the Company received an order and penalty notices from the Department of Commercial Taxes, Kerala claiming that Cash on Delivery (COD) sales made are to be considered as local Kerala sales liable to VAT in Kerala and the Company is a selling agent to its customers for such COD sales shipments delivered in Kerala and therefore liable to pay VAT.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

The Company has filed a Writ Petition against the order passed by the Department of Commercial Taxes, Kerala which has been admitted by the Honourable Kerala High Court with directions issued to the Revenue Authorities to file its counter statement and in the interim has directed the Revenue Authorities not to initiate recovery proceedings.

In response to the said penalty notices and based on the legal counsel advise received, the Company has filed its reply submitting that on various grounds it is a settled position of law that the sales are inter-state sales and not a local sale in Kerala, hence provisions of the said Kerala VAT Act are not applicable and in any event the Company cannot be considered as a selling agent of its customers and therefore should not be considered as liable to penalties on transactions carried out by third parties.

b) Stamp Duty - Karnataka Not ascertainable Not ascertainable

In response to the notices received from Stamp Authorities of Bangalore and Mangalore for payment of stamp duty under the Karnataka Stamp Act, 1957, based on the legal counsel advise received, the Company has filed its reply with both 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.

33 During the year, the Company has further granted an unsecured interest bearing loan to Blue Dart Aviation Limited to meet its financial requirements towards infrastructure expansion for its dedicated air cargo services under the Aircraft, Crew, Maintenance, Insurance ('ACMI') Agreement of ₹1,464 (lacs) [Previous period ₹3,956 (lacs)] and received a repayment of ₹4,730 (lacs) [Previous period ₹1,379 (lacs)]. As at March 31, 2014 the outstanding loan balance is ₹19,499 (lacs), [Previous period ₹22,765 (lacs)] of which ₹3,569 (lacs) [Previous period ₹3,266 (lacs)] is receivable 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 is repayable over seven years with the first two years as moratorium. The loan carries an interest computed at an average 'base' rate of IDBI Bank and ICICI Bank with an interest re-set bi-annually.

34 REMITTANCE IN FOREIGN CURRENCY ON ACOUNT OF DIVIDENDS:

	Year ended March 31, 2014	15 Months ended March 31, 2013
Number of Non-resident shareholders	1	1
Number of Equity Shares held	1,77,95,950	1,92,27,887
Amount of dividend remitted (in ₹ Lacs)	12,635	385
Year to which dividend relates	January 1, 2012 to March 31, 2013	January 1, 2011 to December 31, 2011
Amount of Interim dividend remitted	6,229	-
Year to which Interim dividend relates	April 1, 2013 to March 31, 2014	-

35 The Board of Directors of the Company in its meeting held on October 15, 2013 approved a 'Scheme of Arrangement' under Sections 391 and any other applicable provisions of the Companies Act, 1956 and/or Companies Act, 2013 (the "Scheme") for issuance of unsecured, redeemable, non-convertible, fully paid up debentures of ₹ 10/- each (Rupees Ten Only), by way of Bonus, to be allotted out of Surplus in the Statement of Profit and Loss of the Company, to the shareholders as viz; 7 Debentures under Series I Debentures, 4 Debentures under Series II Debentures and 3 Debentures under Series III Debentures respectively for every 1 (one) equity share of the Company held by the Shareholders on the Record date to be fixed for this purpose.

BSE Ltd. and National Stock Exchange of India Ltd. have given their no-objection to the Scheme vide their letter dated March 21, 2014. Further, the Hon'ble Bombay High Court has directed that a meeting of the (i) Equity Shareholders; and (ii) unsecured creditors of the Company be convened on Friday, June 13, 2014 at 10:00 am and 1:00 pm respectively at Hotel Hilton, Andheri (East), Mumbai, for the approval of Scheme. The Company is in process of issuing notice of Court Convened Meeting to Equity Shareholders of the Company.

SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2014

36 PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

The current accounting year is for twelve months from April 1, 2013 to March 31, 2014, whereas the previous accounting period was for fifteen months from January 1, 2012 to March 31, 2013. Hence, figures for the current year are not comparable with those of the previous period. Previous period's figures have been regrouped/rearranged, wherever necessary to confirm to the current year's classification.

37 (a) The subsidiaries (which along with Blue Dart Express Limited, the parent, constitute the Group) considered in the Consolidated Financial Statements are:

Name of the Company	Country of Incorporation	% voting power held as at March 31, 2014	% voting power held as at March 31, 2013
Concorde Air Logistics Limited (with effect from May 11, 2004)	India	100%	100%
(b) Investment in Associate			
Blue Dart Aviation Limited (with effect from March 11, 2005)	India	49%	49%

Signatures to Notes 1 to 37 form an integral part of the financial statements.

As per our report of even date

For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No. 055158

Place: Mumbai
Date: May 9, 2014

For and on behalf of the Board of Directors

Sharad Upasani
Chairman

Suresh G. Sheth
Director

Anil Khanna
Managing Director

Yogesh Dhingra
Chief Financial Officer &
Chief Operating Officer

Malcolm Monteiro
Director

Tushar Gunderia
Company Secretary

Place: Mumbai
Date: May 9, 2014

Fact Sheet

Description	:	South Asia's premier express air and integrated package distribution Company.
Began Operations	:	November 1983
Headquarters	:	Mumbai, India
Revenues (Apr 2013 - Mar 2014)	:	₹ 193,415 Lacs
Destinations Serviced	:	Domestic - over 34,116 locations International - More than 220 countries and territories worldwide through DHL Express.
Air Support	:	Mixed fleet of Boeing 737 & 757 freighters
Ground Support	:	Over 8,685 vehicles
Number of shipments handled (in lacs) (Apr 2013 - Mar 2014)	:	Domestic - Over 1,263.96 International - Over 9.11
Tonnage handled (Apr 2013 - Mar 2014)	:	Over 513,474
People Force	:	Over 8,860



IT TAKES A LEADER TO DELIVER



BLUE DART

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

Amar Sundh / PWC - P 4
27/5/14

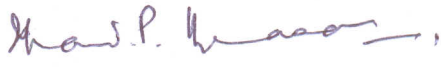
FORM A

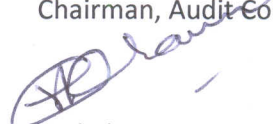
1.	Name of the Company	Blue Dart Express Limited
2.	Annual Financial Statements for the period ended	Year ended March 31, 2014.
3.	Type of Audit observation	Un-qualified Report
4.	Frequency of observation	Not Applicable
5.	To be signed by- <ul style="list-style-type: none">• CEO/Managing Director• CFO• Auditor of the company• Audit Committee Chairman	Names and Signatures listed below

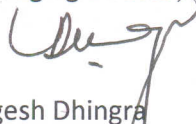
For Price Waterhouse
Firm Registration Number: 301112E
Chartered Accountants


Neeraj Gupta
Partner
Membership Number: 055158

For Blue Dart Express Limited


Sharad Upasani
Chairman, Audit Committee


Anil Khanna
Managing Director,


Yogesh Dhingra
CFO and COO

Place: Mumbai

Dated: May 9, 2014

Place: Mumbai

Dated: May 9, 2014