

## BLUE DART AVIATION LIMITED

### BOARD OF DIRECTORS

Tushar K. Jani	Chairman
Tulsi Nowlakha Mirchandaney	Managing Director
Air Marshal M. McMahon (Retd.)	Director
Ravi S. Menon	Director
Sharad P. Upasani	Director
Geoffrey Kehr	Director
Vandana Aggarwal (appointed as an Independent Director w.e.f. October 27, 2022)	Director

### KEY MANAGERIAL PERSONNEL

P. Parameshwaran	Chief Financial Officer
N. Palaniappan	Company Secretary & General Manager - Finance

### BANKERS

Axis Bank Ltd.

### AUDITORS

Deloitte Haskins & Sells LLP

### REGISTERED OFFICE

Blue Dart Centre,  
Sahar Airport Road,  
Andheri (E), Mumbai – 400 099  
CIN: U35303MH1994PLC078691

### HEAD OFFICE

Blue Dart Aviation Terminal,  
Gate No.6, Old International Airport,  
Meenambakkam, Chennai – 600 027

## DIRECTORS' REPORT

### To the Members

Your Directors have great pleasure in presenting the Twenty Ninth Annual Report of your Company for the financial year ended March 31, 2023.

### FINANCIAL RESULTS

	(₹ in Lakhs)	
	Year ended March 31, 2023	Year ended March 31, 2022
Revenues:		
Revenue from Operations	1,17,783	94,141
Other Income	561	1,163
Less: Operating Expenses	87,278	64,208
Operating Profit (EBIDTA)	31,066	31,096
Less: Interest cost (Net)	7,355	7,250
Depreciation / Amortisation	22,773	22,663
Earnings before exceptional Items and Tax	938	1,183
Less: Exceptional items	-	316
Earnings before Tax	938	867
Less: Provision for Income tax	534	297
Profit/(Loss) Earnings after tax	404	570
Other Comprehensive Income	(189)	(139)
Total Comprehensive (Expense) / Income for the year	215	431

During the year under review, your Company recorded a profit before tax of ₹ 938 lacs as compared to profit before tax of ₹ 867 lacs for the 12 months which ended on March 31, 2022.

### AVIATION OUTLOOK

Your company is the longest serving private airline in the country, having completed 26 years in scheduled domestic operations, connecting major cities within India through its air network. The air network has served as a reliable and efficient backbone for the Blue Dart Group in enabling distribution across the vast geographic expanse of our country. During the year, your Company acquired and became the proud owner of the first two Boeing 737-800 freighters to augment its fleet size to eight aircraft. Addition of the Boeing 737-800 freighters will increase capacity and provide flexibility for expansion into tier II and III cities, and develop the emerging markets in those catchment areas with better transit times and efficient access to demand across the country.

Your Company continues to deliver on its promise to customers,

its most important constituent, and focus on its operations with high On Time Performance and Technical Despatch Reliability. In addition to 74 international charters, the Company operated 343 additional flights and 2481 hours, supplementing the scheduled night operations with more than a flight daily on average, to meet the increased capacity demand. The Company's engineering team, in addition to their support for regular operations, have carried out five heavy checks, including major repairs and modifications. For those stakeholders whom the Company serves, the Company endeavours with its dedicated services to fulfil the hope that 'Tomorrow is just a flight away'.

During the year, your Company posted an On Time Performance of 93.01% and a Technical Despatch Reliability of 99.59%, with an average fleet age of approximately 27 years. BDAL uplifted 111,166 tonnes, including charter loads, on its network for the year ended 31 March 2023.

During the year, the BDAL Centre of Excellence, of which the Aviation Security Training Institute (ASTI) is a part, trained 3201 personnel in Dangerous Goods (DG) regulations and handling, and 1102 candidates in mandatory Aviation Security (AVSEC) certification for regulatory compliance. The number of entities seeking training from Blue Dart ASTI is growing year over year. BDAL's well-accepted training capability now delivers incremental revenue, apart from saving significant cost for mandatory internal certifications. BDAL has supported BCAS by carrying out induction training for KSISF (Karnataka Police) at Kalaburgi Airport and also supported CISF by offering DG training to CISF personnel at Bangalore Airport.

### DIRECTORS/ KEY MANAGERIAL PERSONNEL

As on March 31, 2023, the Board comprised seven (7) members with an appropriate mix of Non-Executive Directors, Executive Director, and Independent Directors.

The Board of Directors of the Company is duly constituted and the present structure is as follows:

Sr. No.	Name of the Directors	Designation
1.	Mr. Tushar K. Jani	Chairman
2.	Ms. Tulsi Nowlakha Mirchandaney	Managing Director
3.	Air Marshal M. McMahon (Retd.)	Director
4.	Mr. Ravi Shivdas Menon	Director
5.	Mr. Sharad Upasani	Director
6.	Mr. Geoffrey Kehr	Director
7.	Ms. Vandana Aggarwal	Director

Your Company obtained requisite prior security clearance approval from the Ministry of Civil Aviation for the appointment of Ms. Vandana Aggarwal as an Independent Director of your Company with effect from 27 October 2022. The Board of Directors in their meeting held

## DIRECTORS' REPORT

on 27 October 2022 appointed Mr. Nikhil B. Ved as Dy. Managing Director of the Company with effect from 01 January 2023.

During the year under review, in terms of the requirements under the Companies Act, 2013, all Independent Directors have provided declarations under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

The Independent Directors have also confirmed that they have registered themselves on Independent Directors Databank maintained by the Indian Institute of Corporate Affairs at Manesar (Haryana), in accordance with the requirements of law.

In accordance with the provisions of the Companies Act, 2013, and Articles of Association of the Company, Mr. Sharad Upasani (DIN :01739334), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment

The Key Managerial Personnel (KMPs) in the Company as per Section 2(51) and Section 203 of the Companies Act, 2013 are as follows:

Sr. No.	Name of the Directors	Designation
1.	Ms.Tulsi Nowlakha Mirchandaney	Managing Director
2.	Mr. P. Parameshwaran	Chief Financial Officer
3.	Mr. N. Palaniappan	Company Secretary

During the year, there was no change (appointment or cessation) in the office of any KMP.

### Number of Meetings of the Board

During the year, the Board of Directors of your Company met 6 times. The maximum interval between any two meetings did not exceed 120 days.

Details of Board Meeting are as follows:

Sr. No.	Date of Meeting
1.	04 May 2022
2.	26 July 2022
3.	27 October 2022
4.	24 January 2023
5.	27 February 2023
6.	16 March 2023

### AUDIT COMMITTEE

The Audit Committee comprises of four Non-Executive Directors viz; Air Marshal M. McMahon (Retd.) as Chairman of the Committee, with Mr. Tushar K. Jani ,Mr. Ravi Shivdas Menon and Ms.Vandana Aggarwal as members of the Committee.

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013.

Ms. Tulsi Nowlakha Mirchandaney, Managing Director, Mr. Sharad Upasani, Director,Mr. Geoffrey Kehr, Director, Mr. Nikhil B.Ved, Deputy Managing Director and Mr. P. Parameshwaran, Chief Financial Officer are the permanent invitees to the Audit Committee Meetings. Mr. N. Palaniappan, Company Secretary & General Manager – Finance, acts as Secretary to the Committee.

### INTERNAL FINANCIAL CONTROL SYSTEMS

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures.

Your Company has a sound internal control system to ensure that all assets are protected against loss from any unauthorized use. All transactions are recorded and reported correctly. The Company's internal control system is further supplemented by the internal audits carried out by an outsourced audit firm viz M/s. Grant Thornton Bharat LLP. The internal control system is well established with robust internal audit processes, both at the business and corporate level, and the adequacy and effectiveness of the internal control environment across the Company and status of compliance with operating systems, internal policies and regulatory requirements are continuously monitored. The Audit Committee of the Board addresses significant issues raised by both the Internal Auditors and Statutory Auditors.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of provisions of Section 177(9)/(10) of the Companies Act, 2013, your Company has formalized the process and institutionalized a Whistle Blower Policy in the organisation.

In terms of the Policy, all suspected violations and reportable matters must be reported to the Ethics Committee via the Blue Dart Ethics Hotline. Effective 19 February 2023, the Company has implemented DP-DHL platform with their new hotlines both telephonic and web link. The Ethics Committee comprises of Mr. N. Palaniappan, Company Secretary & General Manager – Finance, Mr. S. Swaminathan, Chief Human Resource Manager and Mr. N. Krishnamoorthy, Chief Quality Manager. The Policy is applicable to all Directors, employees, officers, customers, vendors and/or third party intermediaries such as agents and consultants whether appointed on permanent, temporary, full time, part-time, contractual, probation or on retainer basis and engaged to conduct business on behalf of the Company concerned about unacceptable, unethical or illegal activities which affect the workplace. The Policy provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. None of the Whistle Blowers was denied access to the Audit Committee of the Board.

## DIRECTORS' REPORT

The contact details for Blue Dart Ethics Hotline numbers are as follows:

Sr. No.	Reporting Channel	Contact Information	Availability
1.	Phone (Toll Free)	+91 1171816583 (Company Access Pin: 6847)	24 hours a day
2.	Web	www.dpdhlcompliance.com	24 hours a day

The Company has posted "Whistle Blower Policy" on its website viz <https://www.bluedartaviation.com/about-us/>

The web link of the Whistle Blower Policy is <https://www.bluedartaviation.com/wp-content/uploads/2023/05/BDA-Whistle-Blower-Policy.pdf>

### POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Your Company goal has always been to create an open and safe workplace for every employee to feel empowered, irrespective of gender, sexual preferences, and other factors, and contribute to the best of their abilities. Your Company has constituted an Internal Committee (IC) consisting of Dr. (Mrs). Prasanna Gettu - External Consultant, Ms. Candy Prim - Manager - Materials Admin, Ms. B Haripriya - Manager - Flight Operations, Mr. S Swaminathan - Chief HR Manager and Mr. K. Manoharan, General Manager - CAMO & Continuing Airworthiness Manager as its members to accept complaints pertaining to sexual harassment.

The IC has been constituted as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the committee includes an external member from a NGO. Half of the total members of the IC are women. The role of the IC is not restricted to mere redressal of complaints but also encompasses prevention and prohibition of sexual harassment.

There was only one complaint received from an employee during the financial year 2022-23 and same has been redressed as on March 31, 2023.

### COST AUDIT

The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act and the Rules thereunder with respect to the aviation business.

### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (the "NRC") has been constituted in accordance with the provisions of Section 178 of the Act. Your Company has a Nomination and Remuneration Committee, with Air Marshal M McMahon (Retd.) as Chairman of the Committee, and Mr. Tushar K. Jani, Mr. Ravi Shivdas Menon, Mr. Sharad Upasani, and Ms. Vandana Aggarwal as members of the Committee.

Ms. Tulsi Nowlakha Mirchandaney, Managing Director, and Mr. Nikhil B.Ved, Deputy Managing Director are permanent invitees to the

Nomination and Remuneration Committee Meetings.

### NOMINATION AND REMUNERATION POLICY

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Board has, on recommendations of the Nomination and Remuneration Committee, framed a policy on the appointment of Directors and Key Managerial Personnel of the Company, and fixing of remuneration of the Directors, Key Managerial Personnel and other employees of the Company. The Nomination and Remuneration policy of your Company has listed down criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178(3) of Companies Act, 2013.

### CSR COMMITTEE

The CSR Committee of the Company comprises of Air Marshal M. McMahon (Retd.), as Chairman of the Committee, Mr. Tushar K. Jani, Ms. Tulsi Nowlakha Mirchandaney and Mr. Sharad Upasani as members of the Committee. The CSR Committee, along with the CSR Implementation and Management Committee, is responsible for formulating and implementing the CSR Policy of the Company.

Mr. N. Palaniappan, Company Secretary & General Manager-Finance acts as Secretary to the Committee.

### CSR INITIATIVES / CSR POLICY

Corporate Social Responsibility is an integral part of our strategy. We are committed to our responsibility towards society, community and the environment. Our endeavor is to make a positive contribution to our world by using our knowledge, and domestic as well as global presence in a way that benefits the planet and its people.

In accordance with the provisions of Section 135 of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has formulated and posted the CSR Policy on website of the company viz; <http://staging.bluedartaviation.com/wp-content/uploads/2022/12/BDA-CSR.pdf>

During the year, your Company has continued its Go Green efforts by planting 3000 native saplings through a NGO (Pitchandikulam Forest Consultants) at Siruseri Twin lake in the outskirts of Chennai. This in addition to 4650 saplings planted last year at the same place to strengthen the bend of the lake and maintain the ecological balance of the area. Your Company will maintain the sapling for 2 years till they are able to grow independently.

Your Company, with the help of the CII Institute of Logistics, upskilled 60 School Students from the Government Boys' Higher Secondary School and Government Girls' Higher Secondary School, Padappai, Kancheepuram District, Tamil Nadu, in the area of logistics. The skill development provides avenues for the students to undergo higher education in logistics or to choose a career in the logistics segment after completion of their school, and facilitation of placements will be supported by the CII Institute of Logistics.

## DIRECTORS' REPORT

The Annual Report on CSR activities in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed as 'Annexure A' to the Board's Report.

### COMMENTS ON AUDITOR'S REPORT / SECRETARIAL AUDIT REPORT

There are no qualifications, reservations or adverse remarks or disclaimers made by Deloitte Haskins & Sells LLP, Statutory Auditors, in their report, and by M/s. Mohan Kumar & Associates, Company Secretary in Practice, in his secretarial Audit Report.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

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

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Financial Statements relate and the date of the report.

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

The Company has not made any loans, Guarantees or Investments, which falls under Section 186 of the Companies Act, 2013.

### RELATED PARTY TRANSACTIONS

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

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

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

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

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. They have selected such accounting policies and applied

them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that year;

- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;
- v. They have laid down proper internal financial controls to be followed by the Company and ensure that the financial controls were adequate and were operating effectively; and
- vi. They have devised systems to ensure compliance with the provisions of all applicable laws and that they were adequate and operating effectively.

### SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your company engaged the services of Mr. A. Mohan Kumar (CP No.19145), Company Secretary in Practice, Chennai to conduct the secretarial audit of the Company for the financial year ended March 31, 2023.

The Secretarial Audit Report for the financial year ended March 31, 2023 in Form MR-3 is annexed herewith as an 'Annexure C'. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. No fraud has been reported by the auditors to the audit committee or the Board.

### REPORTING OF FRAUD BY AUDITORS

The auditors of the company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

### DISCLOSURE ON CONFIRMATION WITH THE SECRETARIAL STANDARDS

Your Directors confirm that the secretarial standards issued by the Institute of Company Secretaries of India have been duly complied with.

### ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website for reference.

### RISK MANAGEMENT

The Company has in place a mechanism to inform the Board on risk assessment and mitigation procedures, and periodic reviews are

## DIRECTORS' REPORT

conducted in order to ensure that management controls risks through a properly defined framework.

The Company has constituted an Internal Risk Management Committee comprising of Ms. Tulsi Nowlakha Mirchandaney, Managing Director, Mr. P. Parameshwaran, Chief Financial Officer and Mr. N. Palaniappan, Company Secretary & General Manager – Finance as members to monitor the risks on a periodic basis.

### FIXED DEPOSITS

Your Company has not accepted any fixed deposits under the provisions of Section 73 of the Companies Act, 2013.

### AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018) has been appointed as Statutory Auditors of the Company on July 26, 2022 for a period of 5 years commencing from the conclusion of 28th Annual General Meeting until the conclusion of 33rd Annual General Meeting of the Company.

The Auditors' Report for 2022-23, does not contain any qualification, reservation or adverse remarks.

No fraud has been reported by the auditors to the audit committee or the Board.

### PARTICULARS OF EMPLOYEES

Information on the particulars of employees' remuneration as per Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, as per the provisions of Section 136 (1) of the Companies Act, 2013, the report and accounts

are being sent to all shareholders of the Company, excluding the Statement of Particulars of Employees which is available for inspection at the registered office of the Company during working hours. Any shareholder interested in such particulars may inspect the same.

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

The particulars regarding foreign exchange earnings and expenditure stipulated under section 134(3)(m) are annexed herewith as an 'Annexure D' and forms part of this Report. Since your Company does not own any manufacturing facility, the other particulars relating to conservation of energy and technology absorption stipulated in the Companies (Disclosure of Particulars in the Report of the 'Board of Directors' Rules, 1988) are not applicable.

### ACKNOWLEDGEMENT

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

Your Directors appreciate the contribution made by the employees of the Company and acknowledge their hard work and dedication to ensure that the Company consistently performs to the highest standards of excellence.

**For and on behalf of the Board of Directors,**

**Tushar K. Jani**  
Chairman  
DIN: 0192621

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN: 01842520

Mumbai,  
May 04, 2023

# ANNEXURES TO DIRECTORS' REPORT

## 'ANNEXURE - A'

### ANNUAL REPORT ON CSR ACTIVITIES

#### 1. Brief outline on CSR Policy of the Company:

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

#### 2. Composition of the CSR Committee.

Sl. No.	Name of the director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Air Marshal M.McMahon (Retd.)	Chairman & Independent Director	4	4
2.	Mr. Tushar K. Jani	Member & Non-Executive Director	4	4
3.	Ms. Tulsi Nowlakra Mirchandaney	Member & Managing Director	4	4
4.	Mr. Sharad Upasani	Member & Non-Executive Director	4	4

#### 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<http://staging.bluedartaviation.com/wp-content/uploads/2022/12/BDA-CSR.pdf>

#### 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Not Applicable

#### 5. (a) Average net profit of the company as per section 135(5) of the Act:

₹ 1075 Lakhs

#### (b) Two percent of average net profit of the company as per section 135(5):

₹ 21.51 Lakhs

#### (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years:

NIL

#### (d) Amount required to be set off for the financial year, if any:

Not Applicable

#### (e) Total CSR obligation for the financial year (b)+(c)-(d)).

₹ 21.51Lakhs

#### 6. (a) Amount spent on CSR projects (both Ongoing Project and other than Ongoing Project):

₹ 21,26,710/-

#### (b) Amount spent on administrative overheads:

₹ 24,290/-

#### (c) Amount spent on Impact Assessment, if applicable:

Not Applicable

#### (d) Total amount spent for the financial Year [(a)+(b)+(c)]:

₹ 21,51,000/-

## ANNEXURES TO DIRECTORS' REPORT

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer.	Name of the Fund	Amount.	Date of transfer
21,51,000/-	-	-	-	-	-

(f) Excess amount for set off, if any:

Not Applicable

**7. Details of Unspent CSR amount for the preceding three financial years:**

Not Applicable

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year**

No

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).**

Not Applicable

**For and on behalf of the Board of Directors,**

**Tushar K. Jani**  
Director  
DIN: 0192621

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN: 01842520

Mumbai,  
May 04, 2023

## ANNEXURES TO DIRECTORS' REPORT

### 'ANNEXURE - B'

#### FORM NO. AOC - 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014] Form for disclosure of particulars of contracts / arrangements entered into by the Company with the related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

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

a.	Name of related party	Nature of relationship	Nature of Contract	Duration of Contract	Date of approval of Board
	Blue Dart Express Limited	Holding Company	Inter Corporate Deposit Agreement	01 August 2022 to 31 July 2027	May 04, 2022
			Term Loan Agreement	84 Months	May 04, 2022
	Air Works India (Engineering) Private Limited	Entity in which Director is interested	Freight Forward and Handling & Clearing Services Agreement	FY 2022-23	May 04, 2022
			Availing Painting Services	Not Applicable	
	DHL Express (India) Private Limited	Group Company	Escort Services Agreement	01 July 2022 to 30 June 2023	July 26, 2022
			Courier Services Agreement	01 January 2023 to 31 December 2023	January 24, 2023
	Concorde Air Logistics Limited	Group Company	Freight Forwarding Services Handling & Clearing Services to export or import aircraft parts and other consumables etc.	Not Applicable	July 26, 2022
	DHL Aviation (Netherlands) B.V	Group Company	Purchase of Aircraft	Not Applicable	October 27, 2022
	DHL Logistics Private Limited	Group Company	Term Loan Agreement	84 Months	October 27, 2022
			Freight Forwarding Services Agreement	FY 2022-23	January 24, 2023
	DHL Express (India) Private Limited (DP-DHL Centralised Tax Department)	Group Company	Advice/Support on Taxation	For the Calendar Year 2023	January 24, 2023
	Mumbai Cargo Service Center Airport Private Limited	Entity in which Director is interested	Cargo Movement Services	Not Applicable	January 24, 2023
	DHL Worldwide Network S.A	Group Company	IT Support Services	Not Applicable	February 27, 2023

#### b. Salient terms of the contracts or arrangements or transactions including the value, if any :

All contracts have been executed on Arm's length basis on competitive terms.

#### c. Amount paid as advances, if any : NIL

**For and on behalf of the Board of Directors,**

**Tushar K. Jani**  
Director  
DIN: 0192621

**Tulsi Nowlakra Mirchandaney**  
Managing Director  
DIN: 01842520

Mumbai,  
May 04, 2023

# ANNEXURES TO DIRECTORS' REPORT

'ANNEXURE - C'

FORM NO. MR - 3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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

To,  
The Members,  
M/s. Blue Dart Aviation Limited

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Blue Dart Aviation Limited** (hereinafter called "the Company") bearing Corporate Identification Number **U35303MH1994PLC078691**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Aircraft Public Health Rules, 1954.
- (iii) The Aircraft Act, 1934.
- (iv) The Aircraft Rules, 1937.
- (v) The Air (Prevention & Control of Pollution) Act, 1981.
- (vi) The Carriage by Air Act, 1972.
- (vii) The Customs Act, 1962.
- (viii) The Environment (Protection) Act, 1986.
- (ix) The Factories Act, 1948.
- (x) The Foreign Exchange Management Act, 1999.
- (xi) The Indian Aircraft Rules, 1920.
- (xii) The Industrial Disputes Act, 1947.
- (xiii) The Industrial Employment (Standing Orders) Act, 1946.
- (xiv) The Legal Metrology Act, 2009.
- (xv) The Motor Vehicles Act, 1988.
- (xvi) The Trade Mark Act, 1999.
- (xvii) The Unlawful Acts against safety of Civil Aviation Act, 1982.
- (xviii) The Water (Prevention & Control of Pollution) Act, 1974.

The Company has duly complied with the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) during the audit period.

I further report that the applicable financial laws, such as Direct and Indirect Tax Laws, have not been reviewed under my audit as the same falls under the review of statutory auditor and by other designated professionals.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned as above.

## ANNEXURES TO DIRECTORS' REPORT

### I Further Report That

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate Notice is given to all Directors to Schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) Majority decision is carried through where there were no dissenting members.
- d) There are adequate system and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- (i) Public / Rights / Preferential issue of shares / debentures / sweat equity.
- (ii) Redemption / buy-back of securities.
- (iii) Foreign Technical Collaborations
- (iv) Merger / amalgamation / reconstruction etc.

Place : Chennai  
Date : May 04, 2023

**For Mohan Kumar & Associates**  
A. Mohan Kumar  
Practicing Company Secretary  
Membership No.: FCS 4347  
Certificate of Practice No: 19145  
UDIN: F004347E000278500

This Report is to be read with my testimony of even date which is annexed as "Annexure A" and forms an integral part of this report.

# ANNEXURES TO DIRECTORS' REPORT

## 'Annexure A'

To  
The Members,  
Blue Dart Aviation Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Mohan Kumar & Associates**

Place : Chennai  
Date : May 04, 2023

A. Mohan Kumar  
Practicing Company Secretary  
Membership No.: FCS 4347  
Certificate of Practice No: 19145  
UDIN: F004347E000278500

# ANNEXURES TO DIRECTORS' REPORT

## 'ANNEXURE - D'

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

#### A) Earnings in Foreign Currency

Earnings in foreign currency during year ended March 31, 2023 was ₹ 51.39 Lakhs.  
(March 31, 2022: ₹ 451.66 Lakhs)

#### B) Expenditure in Foreign Currency

Expenditure in foreign currency during year ended March 31, 2023 was ₹ 62,391.97 Lakhs.  
(March 31, 2022: ₹ 18,562.99 Lakhs)

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF BLUE DART AVIATION LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Blue Dart Aviation Limited** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### Information other than the Financial Statements and Auditors Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF BLUE DART AVIATION LIMITED

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matter

The financials statements of the Company for the year ended 31st March 2022 were audited by Ms. S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W/E300004), the predecessor auditor, on which they have expressed an unmodified audit opinion vide their reports dated May 04, 2022.

Our report is not modified in respect of this matter.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF BLUE DART AVIATION LIMITED

- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The Management has represented, that, to the best of its knowledge and belief no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
ICAI Firm Registration Number: 117366W/W-100018

Sampada S Narvankar  
Partner  
Membership Number: 102911  
UDIN: 23102911BGYCEL6944

Place: Mumbai  
Date: May 04, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to financial statements of **Blue Dart Aviation Limited** ("the Company") as of 31st March 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

#### **Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, an adequate internal financial controls with reference to financial statements were operating effectively as at 31st March 2023, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
ICAI Firm Registration Number: 117366W/W-100018

Sampada S Narvankar  
Partner  
Membership Number: 102911  
UDIN: 23102911BGYCEL6944

Place: Mumbai  
Date: May 04, 2023

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date on financial statements of Blue Dart Aviation Limited for the year ended March 31, 2023)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant and Equipment, capital work-in-progress, and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease arrangements are duly executed in favor of the lessee) and hence reporting under clause (i)(c) of the Order is not applicable.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii. (a) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) (a) of the Order is not applicable.
- (b) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) (b) of the Order is not applicable.
- (c) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) (c) of the Order is not applicable.
- (d) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) (d) of the Order is not applicable.
- (e) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) (e) of the Order is not applicable.
- (f) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) (f) of the Order is not applicable.
- iv. According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. In respect of statutory dues:
  - (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income tax, Sales Tax, duty of Custom, duty of Excise, Value Added

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date on financial statements of Blue Dart Aviation Limited for the year ended March 31, 2023)

Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been one instance of delay in respect of remittance of Professional tax, Employees' State Insurance and Labor Welfare Fund dues.

We have been informed that the provisions of the sales tax, duty of excise and value added tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Service Tax, duty of Custom, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub clause (a) above which have not been deposited as on 31st March, 2023 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount in ₹ Lakhs
The Central Goods and Service Tax Act, 2017	Tax, Interest and Penalty	Appellate Authority	FY 2017-18 to FY 2019-20	162
The Central Goods and Service Tax Act, 2017	Tax, Interest and Penalty	Appellate Authority	FY 2017-18 to FY 2019-20	353
The Central Excise and Service Tax	Tax, Interest and Penalty	Supreme Court	May 2008 to June 2017	20,311

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(f) of the Order is not applicable.
- x. (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year and upto the date of this report and provided to us, when performing our audit.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2022 and the internal audit reports where issued after the balance sheet date covering the period upto March 31, 2023 for the period under audit.

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2, under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date on financial statements of Blue Dart Aviation Limited for the year ended March 31, 2023)

- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- The Group does not have any CIC as part of the Group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of the Act.

Place: Mumbai  
Date: May 04, 2023

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
ICAI Firm Registration Number: 117366W/W-100018

Sampada S Narvankar  
Partner  
Membership Number: 102911  
UDIN: 23102911BGYCEL6944

# BLUE DART AVIATION LIMITED

## BALANCE SHEET AS AT MARCH 31, 2023

	Notes	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4A	43,612	44,472
Capital Work-in-Progress	4A	41,301	5,053
Right of use assets	4A	50,865	55,351
Other Intangible Assets	4B	897	624
Other Financial Assets	5	1,691	1,580
Deferred Tax Assets	6	6,852	5,933
Non-Current Tax Assets (Net)	7	906	658
Other Non-Current Assets	8	684	261
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,46,808</b>	<b>1,13,932</b>
<b>CURRENT ASSETS</b>			
Inventories	9	3,151	2,798
Financial Assets			
Trade Receivables	10	1,138	9,014
Cash and Cash equivalents	11	18	109
Other Financial Assets	12	583	404
Other Current Assets	13	5,011	2,453
<b>TOTAL CURRENT ASSETS</b>		<b>9,901</b>	<b>14,778</b>
<b>TOTAL ASSETS</b>		<b>1,56,709</b>	<b>1,28,710</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	14	2,400	2,400
Other Equity	15	3,423	3,208
<b>TOTAL EQUITY</b>		<b>5,823</b>	<b>5,608</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	16 A	67,750	25,000
Lease Liabilities	17 B	50,730	52,039
Other Financial Liabilities	18	8,326	1,724
Provisions	19 B	275	245
Employee Benefit Obligation	20 B	1,095	1,010
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>1,28,176</b>	<b>80,018</b>
<b>CURRENT LIABILITIES</b>			
Financial Liabilities			
Borrowings	16 B	2,250	20,000
Lease Liabilities	17 A	10,271	9,708
Trade Payables	21		
Total Outstanding dues of Micro and Small Enterprise		111	85
Total Outstanding dues of Creditors other than Micro and Small Enterprise		4,044	7,889
Other Financial Liabilities	22	-	282
Provisions	19 A	-	66
Employee Benefit Obligation	20 A	2,341	2,146
Other Current Liabilities	23	3,693	2,908
<b>TOTAL CURRENT LIABILITIES</b>		<b>22,710</b>	<b>43,084</b>
<b>TOTAL LIABILITIES</b>		<b>1,50,886</b>	<b>1,23,102</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,56,709</b>	<b>1,28,710</b>

Summary of significant accounting policies.

3

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sampada S. Narvankar**  
Partner  
Membership Number: 102911

Place: Mumbai  
Date: May 04, 2023

**For and on behalf of Board of Directors of Blue Dart Aviation Limited**  
CIN: U35303MH1994PLC078691

**Tushar K. Jani**  
Chairman  
DIN: 00192621

**N. Palaniappan**  
Company Secretary &  
General Manager-Finance

Place: Mumbai  
Date: May 04, 2023

**Tulsi Nowlakra Mirchandaney**  
Managing Director  
DIN: 01842520

**P. Parameshwaran**  
Chief Financial Officer

**BLUE DART AVIATION LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

	Notes	Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
<b>INCOME</b>			
Revenue from Operations	24	1,17,783	94,141
Other Income	25	561	1,163
<b>TOTAL INCOME</b>		<b>1,18,344</b>	<b>95,304</b>
<b>EXPENSES</b>			
Operating Costs	26	60,297	41,440
Employee Benefit Expenses	27	18,464	17,171
Finance Costs	28	7,355	7,250
Depreciation and Amortisation Expenses	29	22,773	22,663
Other Expenses	30	8,517	5,597
<b>TOTAL EXPENSES</b>		<b>1,17,406</b>	<b>94,121</b>
<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX</b>		<b>938</b>	<b>1,183</b>
Exceptional Item	30A	-	316
<b>PROFIT BEFORE TAX</b>		<b>938</b>	<b>867</b>
<b>Income Tax Expense</b>	32		
Current Tax		1,221	955
Adjustment of tax relating to earlier year		170	8
Deferred Tax (credit)		(857)	(666)
<b>Total Tax Expenses</b>		<b>534</b>	<b>297</b>
<b>PROFIT FOR THE YEAR</b>		<b>404</b>	<b>570</b>
<b>OTHER COMPREHENSIVE INCOME ('OCI')</b>			
Items not to be reclassified to Statement of Profit and Loss in subsequent years			
- Remeasurement gains/ (losses) on defined benefit plans		(252)	(186)
- Income tax effect		63	47
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>215</b>	<b>431</b>
Earnings per equity share (nominal value of share ₹ 10 each)	31		
Basic and diluted (in ₹)		1.68	2.38
Summary of significant accounting policies.	3		

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sampada S. Narvankar**  
Partner  
Membership Number: 102911

Place: Mumbai  
Date: May 04, 2023

**For and on behalf of Board of Directors of Blue Dart Aviation Limited**  
CIN: U35303MH1994PLC078691

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DIN: 00192621

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Company Secretary &  
General Manager-Finance

Place: Mumbai  
Date: May 04, 2023

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN: 01842520

**P. Parameshwaran**  
Chief Financial Officer

**BLUE DART AVIATION LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023**

	Notes	Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
<b>A. Cash flows from Operating activities:</b>			
Profit before tax		938	867
<b>Adjustments to reconcile profit before tax to net cash flows:</b>			
Depreciation on tangible assets and Amortisation on intangible assets	28	22,773	22,663
Gain on reassessment of Finance Lease Liability	25	(1)	(788)
Loss on Sale/Scrapping of Assets (net)	29	12	22
Interest expenses on leases	27	7,355	7,250
Loss on sale/scrapping of Rotables/Components & Overhaul written off	25	67	118
Loss on Foreign Currency Transactions (net)	29	2,415	221
Unwinding interest on security deposit	24	(187)	(129)
Provision for aircraft redelivery obligation	25	(36)	(48)
Slow Moving Inventory written off	25	174	187
<b>Operating profit before changes in operating assets and liabilities</b>		<b>33,510</b>	<b>30,363</b>
<b>Adjustments for change in operating assets and liabilities:</b>			
Increase in inventories		(527)	(389)
(Increase)/decrease in trade receivables		7,876	(5,436)
Decrease in other current financial assets		8	217
Increase in other current assets		(2,558)	(472)
Increase in other non-current Financial assets		(111)	(340)
(Increase)/decrease in other non-current assets		114	(45)
(Decrease)/ increase in trade payables		(3,819)	1,084
(Decrease) in other financial liabilities		-	(150)
Increase in non-current provisions and employee benefit obligations		151	295
Decrease in current provisions and employee benefit obligations		(123)	(109)
Increase in other current liabilities		785	625
(Decrease)/ Increase in other non-current financial liabilities		6,046	(347)
<b>Cash generated from Operations</b>		<b>41,352</b>	<b>25,296</b>
Taxes paid (net of refunds)	6 and 7	(1,638)	(1,590)
<b>Net cash flows from operating activities</b>		<b>39,714</b>	<b>23,706</b>
<b>B. Cash flows from / (used in) Investing activities:</b>			
Purchase of property, plant and equipment and other intangible assets (Net of Capital Work In Progress)		(47,813)	(8,142)
Proceeds from sale of property, plant and equipment		22	394
<b>Net cash flows (used in) Investing activities</b>		<b>(47,791)</b>	<b>(7,748)</b>
<b>C. Cash flows from / (used in) Financing activities:</b>			
Proceeds from borrowings		49,500	25,000
Repayment of borrowings		(24,500)	(25,250)
Payment of principal portion of Lease liabilities		(9,933)	(8,851)

**BLUE DART AVIATION LIMITED**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED March 31, 2023**

Notes	Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
Payment of interest on lease liabilities	(4,231)	(4,637)
Interest Paid	(2,850)	(2,213)
<b>Net Cash flows (used in) financing activities.</b>	<b>7,986</b>	<b>(15,951)</b>
<b>Net increase /(decrease) in Cash and cash equivalents</b>	<b>(91)</b>	<b>7</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>109</b>	<b>102</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>18</b>	<b>109</b>
Note: There are no changes in liabilities arising from financing activities, due to non-cash changes.		
<b>Cash and cash equivalents comprise of :</b>		
Balances with banks		
In current accounts	16	107
Cash on hand	2	2
	<b>18</b>	<b>109</b>

Summary of significant accounting policies.

3

**Notes:**

The above Statement of Cash flows should be read in conjunction with the accompanying notes.

The above cash flow statement has been prepared under the "Indirect Method" set out in Ind AS 7 - Statement of Cash Flows.

As per our report of even date

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sampada S. Narvankar**  
Partner  
Membership Number: 102911

Place: Mumbai  
Date: May 04, 2023

**For and on behalf of Board of Directors of Blue Dart Aviation Limited**  
CIN: U35303MH1994PLC078691

**Tushar K. Jani**  
Chairman  
DIN: 00192621

**N. Palaniappan**  
Company Secretary &  
General Manager-Finance

Place: Mumbai  
Date: May 04, 2023

**Tulsi Nowlakhia Mirchandaney**  
Managing Director  
DIN: 01842520

**P. Parameshwaran**  
Chief Financial Officer

## BLUE DART AVIATION LIMITED

### STATEMENT OF CHANGES IN EQUITY (SOCIE) FOR THE YEAR ENDED MARCH 31, 2023

A. Equity Share Capital	in ₹ Lakhs
Balance as at April 1, 2021	2,400
Changes in equity share capital	-
<b>Balance as at March 31, 2022</b>	<b>2,400</b>
Changes in equity share capital	-
<b>Balance as at March 31, 2023</b>	<b>2,400</b>

Particulars	Reserves and Surplus			in ₹ Lakhs
	Securities Premium	Retained earnings	Total	
<b>As at April 1, 2021</b>	<b>600</b>	<b>2,177</b>	<b>2,777</b>	
Profit for the year	-	570	570	
Other comprehensive Income	-	(139)	(139)	
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>431</b>	<b>431</b>	
<b>As at March 31, 2022</b>	<b>600</b>	<b>2,608</b>	<b>3,208</b>	
Profit for the year	-	404	404	
Other comprehensive Income	-	(189)	(189)	
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>215</b>	<b>215</b>	
<b>As at March 31, 2023</b>	<b>600</b>	<b>2,823</b>	<b>3,423</b>	

Summary of significant accounting policies (Refer Note 3)

The above statement of changes in equity should be read in conjunction with the accompanying notes.

As per our report of even date

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants

**Sampada S. Narvankar**  
Partner  
Membership Number: 102911

Place: Mumbai  
Date: May 04, 2023

**For and on behalf of Board of Directors of Blue Dart Aviation Limited**  
CIN: U35303MH1994PLC078691

**Tushar K. Jani**  
Chairman  
DIN: 00192621  
**N. Palaniappan**  
Company Secretary &  
General Manager-Finance

Place: Mumbai  
Date: May 04, 2023

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN: 01842520  
**P. Parameshwaran**  
Chief Financial Officer

# SCHEDULES

## Notes to the financial statements as of and for the year ended March 31, 2023

### 1. General Information

Blue Dart Aviation Limited ('the Company') is a public company incorporated in India on May 31, 1994 under the provisions of the Companies Act applicable in India. The Company is authorised by the Director General Civil Aviation of India to commercially operate aircrafts for transporting cargo and to provide aircraft maintenance services. "Express Air Charter Services" income is generated from the charter flight services rendered exclusively to Blue Dart Express Limited. The registered office of the Company is located at Blue Dart Centre, Sahar Airport Road, Andheri East, Mumbai - 400 099. The Company is a wholly owned subsidiary of Blue Dart Express Limited.

The standalone financial statements were authorised for issue in accordance with a resolution of the directors on May 04, 2023.

### 2. Basis of preparation of Financial Statements

#### a. Statement of compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (amended) under the provisions of the Companies Act, 2013 (the 'Act'). The financial statements have been prepared under the historical cost basis.

The financial statements are presented in Indian Rupees ('INR') in lakhs, which is also the Company's functional currency. The financial statements are prepared on a going concern basis.

#### b. Historical cost convention

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities and defined benefit plans - plan assets measured at fair value (Refer Note 5,12,18 & 22).

#### c. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The areas involving critical estimates and judgements are:

- (i) Estimation of useful life of property, plant and equipment and intangible assets [Refer Note 3(a)]
- (ii) Estimation of defined benefit obligation [Refer Note 20 A]
- (iii) Estimation of provision for inventories
- (iv) Estimation of contingent liabilities [Refer Note 3(l)]
- (v) Estimation of lease term of contract [Refer Note 35 (ii)]

### d. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- (i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- (ii) Held primarily for the purpose of trading
- (iii) Expected to be realised within twelve months after the reporting period, or
- (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- (i) It is expected to be settled in normal operating cycle
- (ii) It is held primarily for the purpose of trading
- (iii) It is due to be settled within twelve months after the reporting period, or
- (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

### 3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, unless otherwise stated.

#### a. Property, plant and equipment

Property, Plant and Equipment are carried at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

## SCHEDULES

### Notes to the financial statements as of and for the year ended March 31, 2023

Capital work-in-progress represents property, plant and equipment that are not yet ready for their intended use as at the balance sheet date.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual value, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### b. Intangible Assets:

Intangible assets are stated at cost less any accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful life. The Company capitalises the cost of Type-Certification course of pilots and engineers, and amortises it using the straight-line method over a period of five to seven years, being the estimated useful economic life based on the contractual terms with the pilots and engineers.

#### Depreciation/Amortisation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Asset	Useful Life
Aircrafts	6 - 10 years
Aircraft components & overhaul	Over life cycle/lease term
Aircraft rotatable parts	10 years
Computer software	6 years
Computers	3 - 6 years
Electrical equipments	6 - 10 years
Furnitures & fixtures	2 - 10 years
Leasehold improvements	Upto the period of lease tenure
Office equipment	2 - 10 years
Type Certification	5 - 7 years
Vehicles	5 - 8 years
Ground Support Equipment	10 - 15 years

Depreciation for assets purchased/sold during a year is proportionately charged.

Based on technical evaluation, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives

as prescribed under Part C of Schedule II of the Companies Act 2013.

As per technical evaluation, historical experience and standard industry practice prevalent in aviation industry the boeing aircrafts are generally used for a period of 35 years, on the basis of which the unexpired useful lives as on the date of purchase of aircrafts is considered for depreciating the aircraft assets.

Aircraft components and overhaul includes the Aircraft Engine, cost of engines overhaul, components and modifications of airframes and contractually liable to be incurred by the Company. Such costs are depreciated / amortised on the basis of hours flown or the life cycle of the overhaul programme and lease term, as applicable.

#### c. Impairment of Assets

The Company assesses at each reporting date whether there is any indication that an asset (tangible or intangible) may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's ("CGU") net selling price and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the statement of profit and loss. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased and such reversal is recorded in the statement of profit and loss.

#### d. Inventories

Inventory of consumables/spares and loose tools are valued at lower of cost and net realisable value. The cost is calculated at purchase price and expenditure directly attributable to the acquisition of such inventories for bringing them to their present location using the specific identification method.

#### e. Revenue Recognition

##### Express Air Charter Services:

Service charges for the Express Air Charter Services are recognised in accordance with the Aircraft Crew Maintenance Insurance (ACMI) Agreement and constitute revenue earned in connection with operating aircrafts for Blue Dart Express Limited on the basis of an agreed mark-up on cost incurred. This includes reimbursement towards certain aircraft operating costs.

##### Business Support Services:

Income from Infrastructure sharing services is recognised, as and when such services are rendered, on the basis of an agreed mark-up on costs incurred, in accordance with the arrangements entered into or at the contracted rates.

# SCHEDULES

## Notes to the financial statements as of and for the year ended March 31, 2023

### **Interest Income:**

Interest income is recognised using the effective interest rate ('EIR') method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

### **f. Foreign Currency Transactions**

#### **Functional and Presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency.

#### **Transactions and balances**

Foreign currency transactions are translated into functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the statement of profit or loss, within finance cost. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### **g. Employee Benefits**

#### **(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### **Compensated absences:**

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the balance sheet date are treated as short term employee benefits. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits.

#### **(ii) Other long-term employee benefit obligations**

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

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 for measurement purposes. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of each year. Remeasurements, comprising of actuarial losses/ gains are recognised immediately in the balance sheet with corresponding debit or credit to retained earnings through OCI in the period in which they occur.

The Company presents the leave as a short term employee benefit obligation in the balance sheet to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

#### **(iii) Post-employment obligations**

The Company operates the following post-employment schemes:

- (a) Defined benefit plans such as gratuity
- (b) Defined contribution plans such as provident fund, Employee's state insurance funds and Employee's pension scheme.

#### **Defined Benefit Plans:**

##### **Gratuity:**

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation, or termination of employment, of an amount based on the

## SCHEDULES

### Notes to the financial statements as of and for the year ended March 31, 2023

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. Re-measurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income (OCI).

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss. Service costs comprising current service costs, past-service costs, gains and losses on curtailments non-routine settlements; and Net interest expense or income.

#### Defined Contribution Plans:

Contribution towards Provident Fund for all employees are made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

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.

#### (iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### h. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right-of-use assets

The Company recognises right-of-use assets at the

commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 3(c) Impairment of non-financial assets.

#### Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate (IBR) wherever the interest implicit in the leases are not readily determined. The incremental borrowing rate (IBR) is the average interest rate incurred by the Company on its borrowing during the period under review. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term.

The Company's lease liabilities are included in Interest-bearing loans and borrowings.

#### Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of buildings, equipment's (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of buildings, equipment's that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### i. Income Taxes

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income(OCI). The income taxes recognized are reflected at the amounts likely to be payable under the statutory regulations in force, or substantively enacted in relation to future periods, at the end of the reporting

# SCHEDULES

## Notes to the financial statements as of and for the year ended March 31, 2023

period. Complex tax regulations may give rise to uncertainties with respect to their interpretation and the amounts and timing of future taxable income. Given the long-term nature and complexity of tax regulations, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate adjustments to tax income and expense in future periods. Liabilities to tax authorities that are uncertain as to their amount and the probability of their occurrence are recognized as tax liabilities based on reasonable estimates. The amounts recognized are based on various factors, such as experience with previous tax assessments, legal interpretations by the Company and in certain cases based on legal opinion.

### Current 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 prevailing in the respective jurisdictions.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and set off the liability on a net basis or simultaneously.

### Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are subsequently reversed when it becomes probable that such assets will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are

recognised in correlation to the underlying transaction either in OCI or directly in equity.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### j. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### k. Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of a past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

# SCHEDULES

## Notes to the financial statements as of and for the year ended March 31, 2023

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### 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 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.

### m. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term, highly liquid investments with original maturities of three months. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### n. Trade Receivables

Trade receivables are recognised initially at fair value, less provision for impairment.

### o. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### A) Financial assets

##### i) Classification

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

##### ii) Initial recognition and measurement

All financial assets are recognised initially at fair value including, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### iii) Derecognition

A financial asset is derecognised only when

- (i) The company has transferred the rights to receive cash flows from the financial asset or
- (ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

### iv) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, and bank balance
- b) Trade receivables

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- i) Trade receivables which do not contain a significant financing component
- ii) All lease receivables resulting from transactions

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used

# SCHEDULES

## Notes to the financial statements as of and for the year ended March 31, 2023

to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

### B) Financial liabilities

#### i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

#### ii) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

#### iii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as fair value through statement of profit and loss (FVTPL), fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/loss are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair

value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through Statement of profit and loss.

#### iv) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

#### v) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

#### vi) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### p. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

## SCHEDULES

### Notes to the financial statements as of and for the year ended March 31, 2023

► Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

► Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### q. Earnings per share

##### (i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year, if any and excluding treasury shares (Refer note 31).

##### (ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares. (Refer note 31).

#### r. Segment Information

The Company is primarily engaged in a single segment business to operate aircraft and provide aircraft maintenance services within India for the business of integrated air and

ground transportation and distribution of time-sensitive packages of Blue Dart Express Limited. All assets of the Company are domiciled in India and the Company earns entire revenue from its operations in India.

#### s. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### 3.1 Changes in accounting policies and disclosures

#### Recent Accounting Pronouncement

1.6 Recent accounting pronouncements Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

- i) Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the financial statements.
- ii) Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.
- iii) Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its financial statement.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

### 4A. PROPERTY, PLANT AND EQUIPMENT

in ₹ Lakhs

Description of Assets	GROSS CARRYING VALUE				ACCUMULATED DEPRECIATION				NET CARRYING VALUE
	Opening Balance as at April 1, 2022	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2023	Upto April 1, 2022	For the Year	Deductions/ Adjustments	Upto March 31, 2023	Closing Balance as at March 31, 2023
<b>Tangible Assets:</b>									
Leasehold Improvements	2,256	-	-	2,256	711	171	-	882	1,374
Aircrafts	8,094	-	-	8,094	885	955	-	1,840	6,254
Aircraft Rotable Parts	8,289	1,225	191	9,323	3,955	781	147	4,589	4,734
Aircraft Components and Overhaul	50,315	7,542	568	57,289	27,805	7,867	543	35,129	22,160
Ground Support Equipment	9,136	1,063	118	10,081	3,971	698	95	4,574	5,507
Office Equipment	833	72	19	886	500	121	16	605	281
Electrical Equipment	2,406	72	23	2,455	978	232	20	1,190	1,265
Computers	647	125	2	770	406	81	2	485	285
Furniture and Fittings	2,966	40	21	2,985	1,386	285	21	1,650	1,335
Vehicles	176	362	18	520	49	69	15	103	417
<b>Total Tangible Assets (A)</b>	<b>85,118</b>	<b>10,501</b>	<b>960</b>	<b>94,659</b>	<b>40,646</b>	<b>11,260</b>	<b>859</b>	<b>51,047</b>	<b>43,612</b>
<b>Right of use ('ROU') Assets</b>									
Buildings	41,287	6,015	-	47,302	15,403	5,771	-	21,174	26,128
Aircraft	40,052	753	-	40,805	10,726	5,412	-	16,138	24,667
Vehicle	452	13	8	457	311	76	-	387	70
<b>Total ROU Assets (B)</b>	<b>81,791</b>	<b>6,781</b>	<b>8</b>	<b>88,564</b>	<b>26,440</b>	<b>11,259</b>	<b>-</b>	<b>37,699</b>	<b>50,865</b>
<b>Total Tangible &amp; ROU Assets (A+B)</b>	<b>1,66,909</b>	<b>17,282</b>	<b>968</b>	<b>1,83,223</b>	<b>67,086</b>	<b>22,519</b>	<b>859</b>	<b>88,746</b>	<b>94,477</b>
Capital work-in-progress	5,053	45,656	9,408	41,301	-	-	-	-	41,301

#### Capital Work In Progress Ageing Schedule

As at 31st March 2023	Amount of CWIP for a period of					in ₹ Lakhs
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Projects in progress	41,301	-	-	-	41,301	
<b>Total</b>	<b>41,301</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41,301</b>	

### 4B. INTANGIBLE ASSETS

in ₹ Lakhs

Description of Assets	GROSS CARRYING VALUE				ACCUMULATED AMORTISATION				NET CARRYING VALUE
	Opening Balance as at April 1, 2022	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2023	Upto April 1, 2022	For the Year	Deductions/ Adjustments	Upto March 31, 2023	Closing Balance as at March 31, 2023
Computers - Software	730	33	1	762	655	29	1	683	79
Type Certification Course	1,379	494	233	1,640	830	225	233	822	818
<b>Total Intangible Assets</b>	<b>2,109</b>	<b>527</b>	<b>234</b>	<b>2,402</b>	<b>1,485</b>	<b>254</b>	<b>234</b>	<b>1,505</b>	<b>897</b>

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

### 4A. PROPERTY, PLANT AND EQUIPMENT

in ₹ Lakhs

Description of Assets	GROSS CARRYING VALUE				ACCUMULATED DEPRECIATION				NET CARRYING VALUE
	Opening Balance as at April 1, 2021	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2022	Upto April 1, 2021	For the Year	Deductions/ Adjustments	Upto March 31, 2022	Closing Balance as at March 31, 2022
<b>Tangible Assets:</b>									
Leasehold Improvements	2,256	-	-	2,256	538	173	-	711	1,545
Aircrafts	4,419	3,675	-	8,094	152	733	-	885	7,209
Aircraft Rotable Parts	7,805	585	101	8,289	3,300	745	90	3,955	4,334
Aircraft Components and Overhaul	51,531	2,419	3,635	50,315	22,540	8,422	3,157	27,805	22,510
Ground Support Equipment	8,597	593	54	9,136	3,345	679	53	3,971	5,165
Office Equipment	808	32	7	833	390	117	7	500	333
Electrical Equipment	2,551	11	156	2,406	893	234	149	978	1,428
Computers	626	41	20	647	337	89	20	406	241
Furniture and Fittings	3,187	9	230	2,966	1,175	404	193	1,386	1,580
Vehicles	121	60	5	176	35	19	5	49	127
<b>Total Tangible Assets (A)</b>	<b>81,901</b>	<b>7,425</b>	<b>4,208</b>	<b>85,118</b>	<b>32,705</b>	<b>11,615</b>	<b>3,674</b>	<b>40,646</b>	<b>44,472</b>
<b>Right of use ('ROU') Assets</b>									
Buildings	40,999	650	362	41,287	10,058	5,345	-	15,403	25,884
Aircraft	36,806	10,720	7,474	40,052	9,198	5,324	3,796	10,726	29,326
Vehicle	491	5	44	452	233	112	34	311	141
<b>Total ROU Assets (B)</b>	<b>78,296</b>	<b>11,375</b>	<b>7,880</b>	<b>81,791</b>	<b>19,489</b>	<b>10,781</b>	<b>3,830</b>	<b>26,440</b>	<b>55,351</b>
<b>Total Tangible &amp; ROU Assets (A+B)</b>	<b>1,60,197</b>	<b>18,800</b>	<b>12,088</b>	<b>1,66,909</b>	<b>52,194</b>	<b>22,396</b>	<b>7,504</b>	<b>67,086</b>	<b>99,823</b>
Capital work-in-progress	341	11,336	6,624	5,053	-	-	-	-	5,053

#### Capital Work In Progress Ageing Schedule

As at 31st March 2022	Amount of CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5,053	-	-	-	5,053
<b>Total</b>	<b>5,053</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,053</b>

### 4B. INTANGIBLE ASSETS

in ₹ Lakhs

Description of Assets	GROSS CARRYING VALUE				ACCUMULATED AMORTISATION				NET CARRYING VALUE
	Opening Balance as at April 1, 2021	Additions	Deductions/ Adjustments	Closing Balance as at March 31, 2022	Upto April 1, 2021	For the Year	Deductions/ Adjustments	Upto March 31, 2022	Closing Balance as at March 31, 2022
Computers - Software	727	4	1	730	622	34	1	655	75
Type Certification Course	1,697	37	355	1,379	952	233	355	830	549
<b>Total Intangible Assets</b>	<b>2,424</b>	<b>41</b>	<b>356</b>	<b>2,109</b>	<b>1,574</b>	<b>267</b>	<b>356</b>	<b>1,485</b>	<b>624</b>

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>5 OTHER NON-CURRENT FINANCIAL ASSETS</b>		
(Unsecured, considered good, unless otherwise stated)		
Deposits	1,691	1,580
<b>Total</b>	<b>1,691</b>	<b>1,580</b>
<b>6 DEFERRED TAX ASSET [Refer Note 3 (i) and Note 32]</b>		
<b>Deferred Tax Assets</b>		
Provision for compensated absences	200	175
Provision for Gratuity	9	97
Depreciation	2,650	2,586
Others	3,993	3,075
<b>Total</b>	<b>6,852</b>	<b>5,933</b>
<b>7 NON-CURRENT TAX ASSETS (NET)</b>		
<b>Opening balance</b>	658	31
Less: Current tax payable for the year	(1,221)	(955)
Less: Adjustment of tax relating to earlier year	(170)	(8)
Less: Refund received	(51)	-
Less: Advance Tax adjusted related to earlier year	(1,385)	(8)
Add: Tax Provision adjusted related to earlier year	1,380	8
Add: Taxes paid	1,695	1,590
<b>Closing balance</b>	<b>906</b>	<b>658</b>
Advance income tax	4,954	4,690
Provision for tax	4,048	4,032
<b>Advance income tax (Net of provision for tax)</b>	<b>906</b>	<b>658</b>
<b>8 OTHER NON-CURRENT ASSETS</b>		
Capital Advances	618	81
Prepaid Expenses	66	180
<b>Total</b>	<b>684</b>	<b>261</b>
<b>9 INVENTORIES</b>		
Consumables/Spares*	2,845	2,555
Loose Tools	306	243
<b>Total</b>	<b>3,151</b>	<b>2,798</b>
* Net of slow-moving items written off amounting to ₹ 1,272 Lakhs, (March 31, 2022 - ₹ 1,098 Lakhs)		
<b>10 TRADE RECEIVABLES</b>		
(Unsecured, considered good)		
Trade receivables from Others	30	27
Receivables from related parties (Refer Note 33)	1,108	8,987
<b>Total</b>	<b>1,138</b>	<b>9,014</b>

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>Trade Receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	1,138	9,014
Unsecured, considered doubtful	-	-
	<b>1,138</b>	<b>9,014</b>

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

#### Trade receivables Ageing Schedule:

As at March 31, 2023						in ₹ Lakhs
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	1,137	-	1	-	-	1,138
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,137</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1,138</b>

There are no unbilled receivables as at March 31, 2023

As at March 31, 2022						in ₹ Lakhs
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	9,009	4	-	-	1	9,014
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>TOTAL</b>	<b>9,009</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>9,014</b>

There are no unbilled receivables as at March 31, 2022

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>11 CASH AND CASH EQUIVALENTS</b>		
Balances with banks:		
In current accounts	16	107
Cash on hand	2	2
<b>Total</b>	<b>18</b>	<b>109</b>
<b>12 OTHER CURRENT FINANCIAL ASSETS</b>		
(Unsecured, considered good, unless otherwise stated)		
Deposits	583	404
<b>Total</b>	<b>583</b>	<b>404</b>
<b>13 OTHER CURRENT ASSETS</b>		
(Unsecured, considered good)		
Prepaid Expenses	1,197	955
Balance with Government Authorities	3,561	1,397
Other Advances	253	101
<b>Total</b>	<b>5,011</b>	<b>2,453</b>
<b>14 EQUITY SHARE CAPITAL</b>		
<b>Authorised</b>		
40,000,000 Equity Shares (March 31, 2022: 40,000,000) of ₹ 10 each	4,000	4,000
<b>Issued, Subscribed and Fully Paid up</b>		
24,000,000 Equity Shares (March 31, 2022 : 24,000,000) of ₹ 10 each fully paid-up	2,400	2,400
<b>Total</b>	<b>2,400</b>	<b>2,400</b>

**i. Reconciliation of the number of shares**

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount (₹ In Lakhs)	Number of shares	Amount (₹ In Lakhs)
Balance as at the beginning of the year	24,000,000	2,400	24,000,000	2,400
Additions / Deletions during the year	-	-	-	-
<b>Balance as at the end of the year</b>	<b>24,000,000</b>	<b>2,400</b>	<b>24,000,000</b>	<b>2,400</b>

**ii. Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares at a par value of ₹ 10 per share. Each shareholder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the equity share holders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>iii. Shares held by Holding Company</b>		
Blue Dart Express Limited, the Holding Company	2,400	2,400
24,000,000 (March 31, 2022: 24,000,000) equity shares of ₹ 10 each fully paid up		

**iv. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company**

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	%	Number of shares	%
Blue Dart Express Limited ('BDEL') and its nominees	24,000,000	100%	24,000,000	100%
<b>Total</b>	<b>24,000,000</b>	<b>100%</b>	<b>24,000,000</b>	<b>100%</b>

- v. There are no equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period five years immediately preceding the reporting date.

### 15 OTHER EQUITY

**Reserves and Surplus**

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
Securities Premium	600	600
Retained Earnings	2,823	2,608
<b>Total</b>	<b>3,423</b>	<b>3,208</b>

**i) Securities Premium**

Balance as at the beginning and end of the year	600	600
---	-----	-----

**ii) Retained Earnings**

Balance as at the beginning of the year	2,608	2,177
Net Profit for the year	404	570
Remeasurements of defined benefit obligations, (net of tax)	(189)	(139)
<b>Balance as at the end of the year</b>	<b>2,823</b>	<b>2,608</b>
<b>Total of Other Equity</b>	<b>3,423</b>	<b>3,208</b>

**Nature and purpose of reserve:**

**Securities Premium**

Securities Premium is used to record the premium received on issue of shares. This reserve can be utilised only in accordance with the provisions of the Companies Act, 2013.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>16 A NON CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
<b>Term loans</b>		
<b>Unsecured</b>		
(a) Term Loan from DHL Logistics Private Limited (Refer note (a))	25,000	-
(b) Term Loan Blue Dart Express Limited (Refer note (b))	42,750	25,000
<b>Total</b>	<b>67,750</b>	<b>25,000</b>
<b>16 B CURRENT FINANCIAL LIABILITIES - BORROWINGS</b>		
Current maturities of unsecured term loan from DHL Logistics Private Limited (Refer note (a))	-	20,000
Current maturities of unsecured term loan from Blue Dart Express Limited (Refer Note (b))	2,250	-
Inter Corporate Deposits from Blue Dart Express Limited (Refer Note (c))	-	-
	<b>2,250</b>	<b>20,000</b>

### Security and Salient Terms:

- a) During the year, the Company has repaid the unsecured term loan in full taken from DHL Logistics Private Limited of ₹ 20,000 lakhs in two tranches of ₹ 7,500 Lakhs repaid on 14<sup>th</sup> October 2022 and ₹ 12,500 lakhs repaid on 29<sup>th</sup> November 2022. Further during the year fresh unsecured loan of ₹ 20,000 Lakhs in Tranche-I and ₹ 5,000 Lakhs in Tranche-II were borrowed from DHL Logistics Private Limited on 24<sup>th</sup> March 2023 and 27<sup>th</sup> March 2023 with interest rate of 8.179% and 8.186% respectively with yearly interest reset on anniversary dates of the respective tranches. The fresh loan borrowed during the year will be repaid in full on bullet payment basis on Tranche-I ₹ 20,000 Lakhs on 24<sup>th</sup> February 2025 and Tranche-II ₹ 5,000 Lakhs on 27<sup>th</sup> February 2025.
- b) During the previous year Company has borrowed Unsecured term loan from Blue Dart Express Limited (Holding Company) Tranche-I for ₹ 10,000 Lakhs, Tranche-II for ₹ 10,000 Lakhs & Tranche-III for ₹ 5,000 Lakhs at 6.10% p.a., 6.11% p.a. & 6.34% p.a. respectively, for repayment for Term Loan from Bank of America & capital expenditure. The unsecured loan will be repaid in 24 quarterly payouts starting from November 2023. The interest rates are reset to 7.50% p.a. for all tranches effective from 1<sup>st</sup> September 2022. During the year fresh additional unsecured loans were borrowed on 27<sup>th</sup> March 2023 for capital expenditure amounting to ₹ 20,000 Lakhs at 7.704% repayable on 20 quarterly instalments starting from 27<sup>th</sup> month from the date of borrowing. The interest rate is reset annually on 1<sup>st</sup> September.
- c) During the year Company has borrowed Inter Corporate Deposit from Blue Dart Express Limited amounting to ₹ 4,500 lakhs at interest rate 6.10% p.a. repayable on demand basis. The same has been repaid in full and the balance at on 31<sup>st</sup> March 2023 is Nil.
- d) Blue Dart Express Limited, the holding company, has provided the Letter of Comfort to the banks in respect of credit facilities provided by the banks to the Company.

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>17 A CURRENT FINANCIAL LIABILITIES - LEASES</b>		
Lease Liabilities	10,271	9,708
<b>Total</b>	<b>10,271</b>	<b>9,708</b>
<b>17 B NON CURRENT FINANCIAL LIABILITIES - LEASES</b>		
Lease Liabilities	50,730	52,039
<b>Total</b>	<b>50,730</b>	<b>52,039</b>

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>18 OTHER FINANCIAL LIABILITIES</b>		
Aircraft Payload Deposit from Blue Dart Express Limited (refer note 33)	8,326	1,724
<b>Total</b>	<b>8,326</b>	<b>1,724</b>
<b>19 A CURRENT PROVISIONS</b>		
Provision for aircraft redelivery obligation	-	66
<b>Total</b>	<b>-</b>	<b>66</b>
<b>19 B NON-CURRENT PROVISIONS</b>		
Provision for aircraft redelivery obligation	275	245
<b>Total</b>	<b>275</b>	<b>245</b>
<b>20 A CURRENT EMPLOYEE BENEFITS OBLIGATION</b>		
<b>Provision for Employee Benefits:</b>		
Provision for gratuity - [Refer Note 3 (g) ]	221	261
Provision for compensated absences - [Refer Note 3 (g) ]	793	680
Other Employee Benefits payable	1,327	1,205
<b>Total</b>	<b>2,341</b>	<b>2,146</b>
<b>20 B NON - CURRENT EMPLOYEE BENEFITS OBLIGATION</b>		
Other Employee Benefits payable	1,095	1,010
<b>Total</b>	<b>1,095</b>	<b>1,010</b>

### Employee benefit obligations

The Company has classified the various employee benefits provided to employees as under:

#### I Defined Contribution Plans

	For the Year ended March 31, 2023 in ₹ Lakhs	For the Year ended March 31, 2022 in ₹ Lakhs
- Employer's Contribution to Provident Fund	381	305
- Employer's Contribution to Employees' State Insurance	11	14
- Employer's Contribution to Employees' Pension Scheme 1995	172	166

During the year, the Company has recognised the above amounts in the Statement of Profit and Loss under "Contribution to provident and other funds"

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

### II Defined Benefit Plans

#### Gratuity:

A The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the years are as follows:

	Present value of obligation	Fair value of plan assets	Net defined benefit (asset) /liability
<b>Balance as on April 1, 2021</b>	<b>1,940</b>	<b>(1,677)</b>	<b>263</b>
Interest Cost	135	(116)	19
Current Service Cost	132	-	132
Expected Return on Plan Assets	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>267</b>	<b>(116)</b>	<b>151</b>
Liability Transferred In	-	-	-
Liability Transferred Out	(1)	1	-
Remeasurements	-	-	-
Return on Plan assets excluding Interest Income	-	(11)	(11)
Actuarial (gain)/loss on obligations	197	-	197
<b>Total amount recognised in other comprehensive income</b>	<b>196</b>	<b>(10)</b>	<b>186</b>
Benefits Paid	(117)	117	-
Contributions	-	(339)	(339)
<b>Balance as on March 31, 2022</b>	<b>2,286</b>	<b>(2,025)</b>	<b>261</b>
Interest Cost	168	(148)	20
Current Service Cost	147	-	147
Expected Return on Plan Assets	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>315</b>	<b>(148)</b>	<b>167</b>
Liability Transferred In	-	-	-
Liability Transferred Out	(2)	-	-
Remeasurements	-	-	-
Return on Plan assets excluding Interest Income	-	(10)	(10)
Actuarial (gain)/loss on obligations	262	-	262
<b>Total amount recognised in other comprehensive income</b>	<b>260</b>	<b>(10)</b>	<b>252</b>
Benefits Paid	(185)	185	-
Contributions	-	(457)	(457)
<b>Balance as on March 31, 2023</b>	<b>2,676</b>	<b>(2,455)</b>	<b>221</b>

#### B Reconciliation of Present Value of Defined Benefit Obligation and the Fair value of Assets

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
Present Value of funded obligation as at the year end	2,676	2,286
Fair Value of Plan Assets as at the end of the year	(2,455)	(2,025)
Present Value of unfunded obligation as at the year end	221	261

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
Unrecognised Actuarial (gains)/losses	-	-
<b>Unfunded Net Liability Recognised in Balance Sheet</b>	<b>221</b>	<b>261</b>
<b>C Amount recognised in the Balance Sheet</b>		
Present Value of Obligation at the end of the year	2,676	2,286
Fair value of plan assets	(2,455)	(2,025)
Liability recognised in the Balance Sheet	<b>221</b>	<b>261</b>

### D Actuarial assumptions

- i 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, 2023	As at March 31, 2022
Discount Rate	7.49%	7.33%
Salary growth rate	7.75%	7.75%
Employee turnover	1.00%	1.00%
Mortality rate during employment	Indian Assured Lives Morality (2012-14) Urban	Indian Assured Lives Morality (2012-14) Urban

Note: The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

### ii Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Impact on defined benefit obligation (In ₹ Lakhs)			
	As at March 31, 2023		As at March 31, 2022	
	Increase (0.5%)	Decrease (0.5%)	Increase (0.5%)	Decrease (0.5%)
Discount rate	(122)	132	(106)	115
Future salary growth	131	(122)	114	(106)
Employee Turnover	(3)	3	(5)	5

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

### iii 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.

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
Insured fund in LIC	2,455	2025

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>iv Expected gratuity contribution for the next year</b>	322	268
Weighted average duration of the defined benefit obligation (in years)	11	11
Maturity profile of the defined benefit obligation :		
Within 1 year	251	213
1-2 year	64	92
2-3 year	166	95
3-4 year	213	146
5-10 year	1,348	1,183
Sum of 11 year and above	4,710	4,017
<b>E Compensated Absences</b>		
Current provisions (Refer note 20 A)	793	680

### 21 TRADE PAYABLES

Trade Payables:

Total outstanding dues to micro and Small enterprises (Refer Note 34)

Total outstanding dues to creditors other than micro and small enterprises:

Trade payable other than related parties

Trade payables to related parties (Refer Note 33)

**Total**

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
	111	85
	2,488	6,569
	1,556	1,320
<b>Total</b>	<b>4,155</b>	<b>7,974</b>

#### Trade Payables Ageing Schedule:

As at March 31, 2023	Outstanding for following periods from due date of payment				in ₹ Lakhs
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Total Outstanding dues to Micro enterprises and small enterprises	111	-	-	-	111
Total Outstanding dues of creditors other than micro and small enterprises	4,043	1	-	-	4,044
Disputed dues of Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of Micro enterprises and small enterprises	-	-	-	-	-
<b>TOTAL</b>	<b>4,154</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>4,155</b>

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

As at March 31, 2022	Outstanding for following periods from due date of payment				in ₹ Lakhs
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Total Outstanding dues to Micro enterprises and small enterprises	85	-	-	-	85
Total Outstanding dues of creditors other than micro and small enterprises	7,869	2	1	17	7,889
Disputed dues of Micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of Micro enterprises and small enterprises	-	-	-	-	-
<b>TOTAL</b>	<b>7,954</b>	<b>2</b>	<b>1</b>	<b>17</b>	<b>7,974</b>

### 22 OTHER FINANCIAL LIABILITIES

Interest accrued and due but not paid on borrowings

**Total**

As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
-	282
<b>-</b>	<b>282</b>

### 23 OTHER CURRENT LIABILITIES

Statutory dues

Income received in advance

**Total**

As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
2,432	2,511
1,261	397
<b>3,693</b>	<b>2,908</b>

### 24 REVENUE FROM OPERATIONS

Express Air Charter Services [Refer Note 3(e)]

**Other Operating Revenue**

Business Support Services [Refer Note 3(e)]

**Total**

Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
1,17,783	93,994
-	147
<b>1,17,783</b>	<b>94,141</b>

### 25 OTHER INCOME

Gain on reassessment of Finance Lease Liability

Sale of spares and service income

Unwinding interest on security deposit

Miscellaneous income

**Total**

Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
1	788
358	242
187	129
15	4
<b>561</b>	<b>1,163</b>

### 26 OPERATING COSTS

Aircraft Fuel

Aircraft and Engine Lease Rentals

Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
49,239	31,062
13	-

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
Navigation Charges	4,391	4,256
Engineering Maintenance Costs	1,930	1,449
Loss on sale/scraping of Rotables/Components & Overhaul written off	67	118
Consumption of Consumables and Tools	2,204	2,030
Provision for aircraft redelivery obligation	(36)	(48)
Slow Moving Inventory written off	174	187
Aircraft Insurance	423	359
Handling and Clearing	1,318	1,164
Interline Expenses	574	863
<b>Total</b>	<b>60,297</b>	<b>41,440</b>
<b>27 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Bonus and compensated absences	16,421	15,443
Contribution to provident and other funds (including administrative charges)	597	515
Gratuity	157	151
Staff Welfare Expenses	1,289	1,062
<b>Total</b>	<b>18,464</b>	<b>17,171</b>
<b>28 FINANCE COSTS</b>		
Interest Expense:		
On Term loan from bank	-	657
On Inter corporate deposits from Blue Dart Express Limited	101	-
On Unsecured term loan from DHL Logistics Private Limited	698	960
On Unsecured term loan from Blue Dart Express Limited	1,755	841
Unwinding of interest on payload deposits	556	122
On Lease	4,231	4,637
On Others	14	33
<b>Total</b>	<b>7,355</b>	<b>7,250</b>
<b>29 DEPRECIATION AND AMORTISATION EXPENSE</b>		
Depreciation on Tangible assets	22,519	22,396
Amortisation on Intangible assets	254	267
<b>Total</b>	<b>22,773</b>	<b>22,663</b>
<b>30 OTHER EXPENSES</b>		
Rent	987	798
Electricity	366	317
Repairs and Maintenance - Others	1,258	1,166

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
Communication Expenses	84	80
Directors sitting fees	66	37
Legal and Professional Expenses	126	103
Payment to Auditors		
Statutory Audit fees	11	11
Tax Audit fees	1	1
Reimbursement of Expenses	-	-
Rates and taxes	436	450
Insurance	253	229
Lease and Hire charges	9	15
Loss on Sale/Scrapping of Assets (net)	12	22
Loss on Foreign Currency Transactions (net)	2,415	221
Printing and Stationery	214	231
Subscriptions Charges	415	365
Travelling Expenses	592	421
Expenditure towards Corporate Social Responsibility Activities (Refer note below)	22	20
Miscellaneous expenses	1,250	1,110
<b>Total</b>	<b>8,517</b>	<b>5,597</b>
<b>30 A EXCEPTIONAL ITEMS</b>		
Bonus paid to Employees	-	316
<p>During the previous year ended March 31,2022, the Company rewarded its employees for the outstanding efforts during the COVID-19 crises with one time ex-gratia as a token of appreciation. Accordingly ₹ 316 lakhs had been paid and reported as an exceptional item.</p>		
<b>30 B Details of CSR Expenditure</b>		
a) Gross amount required to be spent by the Company during the year	22	20
b) Amount approved by the Board to be spent during the year	22	20
c) Amount spent during the year (in cash)		
i) Construction /acquisition on any asset	-	-
ii) On purposes other than (i) above	22	20
d) Details relating to expenditure spent		
i) Expenditure on ensuring environment sustainability	15	12
ii) Expenditure on education programmes	7	8
<b>31 EARNINGS PER SHARE</b>		
Profit for the year (in ₹ Lakhs)	404	570
Weighted average number of shares (Nos.)	2,40,00,000	2,40,00,000
Basic and Diluted Earnings Per Share (In ₹)	1.68	2.38
Nominal value of shares outstanding (In ₹)	10	10

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>32 TAX EXPENSE</b>		
<b>A. Amounts recognised in profit and loss</b>		
<b>(a) Income tax expense</b>		
<b>Current Tax</b>		
Current tax on profits for the year	1,221	955
Adjustment of tax relating to earlier year	170	8
<b>Total current tax expense</b>	<b>1,391</b>	<b>963</b>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(857)	(666)
<b>Total deferred tax expense/(benefit)</b>	<b>(857)</b>	<b>(666)</b>
<b>Income tax expense</b>	<b>534</b>	<b>297</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:</b>		
Profit before income tax expense	938	867
<b>Tax at the Indian tax rate of 25.17% (2021-2022 – 25.17%)</b>	<b>236</b>	<b>218</b>
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Expenditure towards to corporate social responsibility	6	5
Amortizaion of BIAL expense	62	62
Adjustment of tax relating to earlier years	170	8
Others	60	4
<b>Income tax expense for the year</b>	<b>534</b>	<b>297</b>

### B. Movement in deferred tax balances

	(in ₹ Lakhs)				
	Net balance March 31, 2022	Recognised in Profit and Loss	Recognised in OCI	Net deferred Tax Asset	Deferred tax asset March 31, 2023
<b>Deferred Tax Assets</b>					
Depreciation	2,586	64	-	2,650	2,650
Provision for Compensated Absences	175	25	-	200	200
Provision for Gratuity	97	(151)	63	9	9
Other items	3,075	918	-	3,993	3,993
<b>Tax assets</b>	<b>5,933</b>	<b>856</b>	<b>63</b>	<b>6,852</b>	<b>6,852</b>

	(in ₹ Lakhs)				
	Net balance March 31, 2021	Recognised in Profit and Loss	Recognised in OCI	Net deferred Aax Asset	Deferred tax asset March 31, 2022
<b>Deferred Tax Assets</b>					
Depreciation	2,447	139	-	2,586	2,586
Provision for Compensated Absences	156	19	-	175	175

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

(in ₹ Lakhs)

	Net balance March 31, 2021	Recognised in Profit and Loss	Recognised in OCI	Net deferred Aax Asset	Deferred tax asset March 31, 2022
Provision for Gratuity	42	8	47	97	97
Others	2,575	500	-	3,075	3,075
<b>Tax assets</b>	<b>5,220</b>	<b>666</b>	<b>47</b>	<b>5,933</b>	<b>5,933</b>

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets & deferred tax liabilities.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets.

The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

### 33 RELATED PARTY DISCLOSURES

#### A) NAME OF RELATED PARTIES AND NATURE OF RELATIONSHIP:

##### i) Enterprises where control exists

Ultimate Holding Company	Deutsche Post AG, Germany
Holding Company	Blue Dart Express Limited

##### ii) Key Management Personnel

Ms. Tulsi Nowlakha Mirchandaney	Managing Director
Mr. Tushar K. Jani	Non-Executive Chairman
Air Marshal M. McMahon (Retd.)	Independent Director
Mr. Ravi Shivdas Menon	Independent Director
Mrs. Vandana Aggarwal	Independent Director w.e.f October 27, 2022
Mr. Sharad Upasani	Director
Mr. Geoffrey Kehr	Director

##### iii) Entities under common control where transaction have taken place

Concorde Air Logistics Limited
DHL Express India Private Limited
European Air Transport, Leipzig GmbH
DHL Aviation (Netherlands) B.V.
DHL Logistics Private Limited
DHL Aviation EEMEA B.S.C ©, Kingdom of Bahrain
DHL Worldwide Network NV/SA
Deutsche Post IT Services GmbH

##### iv) Entities in which a Director is interested, where transaction have taken place

Cargo Service Center India Private Limited
Delhi Cargo Service Center Private Limited
Mumbai Cargo Service Center Airport Private Limited
Air Works India (Engineering) Private Limited

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

### B) TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR:

NATURE OF TRANSACTIONS:	Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
<b>i) With Blue Dart Express Limited</b>		
Express Air Charter Service Income	(1,17,783)	(93,994)
Sale of IATA Manual	-	(18)
X-ray charges - Income (including service income accrued in advance)	(135)	(199)
Interest charges incurred on Unsecured Term Loan	1,755	841
Interest charges incurred on Inter corporate Deposit	101	-
Courier charges incurred	42	48
Inter Corporate deposits accepted during the year	4,500	-
Inter Corporate deposits repaid during the year	(4,500)	-
Payload deposits accepted during the year	7,500	-
Unsecured Term Loan borrowed during the year	20,000	25,000
<b>ii) With Key Management Personnel</b>		
<b>Mr. Tushar K. Jani</b>		
Sitting Fees	16	9
<b>Mr. Ravi Shivdas Menon</b>		
Sitting Fees	15	8
<b>Air Marshal M. McMahon (Retd.)</b>		
Sitting Fees	18	12
<b>Mr. Sharad Upasani</b>		
Sitting Fees	13	9
<b>Mrs. Vandana Aggarwal</b>		
Sitting Fees	5	-
<b>Ms. Tulsi Nowlakha Mirchandaney</b>		
Remuneration	371	381
<b>iii) Entities under common control :</b>		
<b>(a) With Concorde Air Logistics Limited:</b>		
Clearing and Forwarding charges	557	221
Agency charges incurred for customs clearing	17	11
Purchase of property, plant & equipment	2	-
<b>(b) With DHL Express India Private Limited</b>		
Business support services income	-	(147)
Other income	(104)	(84)
Courier charges incurred	1,102	666
Professional fees	16	17
<b>(c) With European Air Transport, Leipzig GmbH</b>		
Expenses towards Aircraft spares /Repairs	32	11
<b>(d) With DHL Aviation (Netherlands) B.V.</b>		
Aircraft Dry Lease	7,356	7,270

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	Year ended March 31, 2023 in ₹ Lakhs	Year ended March 31, 2022 in ₹ Lakhs
Aircraft Purchase	40,386	3,677
Technical Services	21	19
<b>(e) With DHL Aviation EEMEA B.S.C ©, Kingdom of Bahrain</b>		
Purchase of Aircraft fuel - International Charter	-	340
Catering Expenses - International Charter	-	1
Purchase of Aircraft parts	-	3
<b>(f) With DHL Logistics Private Limited</b>		
Freight Charges	1	3
Interest on Term Loan	698	960
<b>(g) With Delhi Cargo Service Centre Private Limited</b>		
Rent	2,003	1,863
Electricity /Water/De stuffing charges	273	297
Security deposits given during the year	122	-
<b>(h) With Cargo Service Centre India Private Limited</b>		
Interline Expenses	9	10
<b>(i) With DHL Worldwide Network NV/SA</b>		
AMC charges for Engineering & Maintenance ERP	43	-
<b>(j) With Mumbai Cargo Service Center Airport Private Limited</b>		
Cargo handling charges	121	167
<b>(k) Air Works (India) Engineering Private Limited</b>		
Purchase of Spares	37	33
Income from Loaning of equipments	-	(1)
<b>(l) Deutsche Post IT Services GmbH</b>		
Support fees for Cloud Storage	95	25
<b>C) RELATED PARTY BALANCES:</b>		
<b>(i) Receivable/(Payable) from/to subsidiary/Fellow Subsidiaries Company</b>		
<b>a) Blue Dart Express Limited</b>		
Aircraft Payload Deposit	(9,650)	(2,150)
Trade Payables	-	(5)
Trade Receivables	1,100	8,971
Unsecured Term Loan	(45,000)	(25,000)
<b>b) DHL Express India Private Limited</b>		
Trade Receivables	8	15
Trade Payables	(114)	(28)
<b>c) DHL Aviation (Netherlands) B.V.</b>		
Trade Payables	(1,294)	(1,165)
<b>d) DHL Logistics Private Limited</b>		
Unsecured Term Loan	(25,000)	(20,000)
Interest Accrued and due	-	282

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
<b>e) Concorde Air Logistics Limited</b>		
Trade Payables	(128)	(77)
Deposit paid towards Customs Duty/IGST payable on imports	20	20
<b>f) Delhi Cargo Service Center Private Limited</b>		
Security Deposit	1,754	1,631
Trade Payables	(8)	(6)
<b>g) Mumbai Cargo Service Center Airport Private Limited</b>		
Trade Payables	(4)	(4)
<b>h) Air Works (India) Engineering Private Limited</b>		
Trade Payables	-	(14)
Trade Receivables	-	1
<b>i) European Air transport LEIPZIG</b>		
Trade Payables	-	(4)
<b>j) Deutsche Post IT Services Gmbh</b>		
Trade Payables	(8)	(17)
<b>k) Payable to Key Management Personnel</b>		
Ms. Tulsi Nowlakha Mirchandaney	(112)	(118)

#### D) Notes:

- i) The terms and conditions of transactions with related parties were no more favourable than those available, or which might be expected to be available, in similar transactions with non related parties on an arm's length basis. All balances outstanding with related parties are unsecured.

### 34 DUES TO MICRO AND SMALL ENTERPRISES - As per Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED' Act)

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
Principal amount due to suppliers registered under the Micro, Small And Medium Enterprises Development ('MSMED') Act and remaining unpaid as at year end	111	85
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	Nil	Nil
Principal amounts paid to suppliers registered under the 'MSMED Act beyond the appointed day during the year	Nil	Nil
Interest paid, other than under Section 16 of MSMED Act 'to suppliers registered under the MSMED Act beyond the appointed day during the period	Nil	Nil
Interest paid, under Section 16 of MSMED Act to suppliers 'registered under the MSMED Act beyond the appointed day during the period	Nil	Nil
Interest due and payable towards suppliers registered 'under MSMED Act for payments already made	Nil	Nil
Further interest remaining due and payable for earlier years	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises given in Note 21 - Trade Payables has been determined to the extent such parties have been identified on the basis of information available with the Company.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

### 35 COMMITMENTS

	<b>As at March 31, 2023 in ₹ Lakhs</b>	<b>As at March 31, 2022 in ₹ Lakhs</b>
<b>i) CAPITAL COMMITMENTS</b>		
Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances)	7,359	2,343

### ii) LEASES [Refer Note 3(h)]

#### Company as lessee

The Company has lease contracts for various items of aircraft, buildings & vehicles used in its operations. Leases of aircraft generally have lease terms between 5 to 7 years, while building & vehicles generally have lease terms in excess of 1 year and upto 15 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

The Company also has certain leases of buildings & vehicle with lease terms of 12 months or less or low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Refer note 4A for carrying amount of right of use assets recognized and the movements during the year.

The effective interest rate for lease liabilities is from 4.93% to 8.60 % for maturity between 2023 to 2031.

The maturity analysis of lease liability is disclosed in note 37 (b) iii.

#### The following are the amounts recognised in profit or loss:

	<b>Year ended March 31, 2023 in ₹ Lakhs</b>	<b>Year ended March 31, 2022 in ₹ Lakhs</b>
Depreciation expense of right-of-use assets	11,259	10,781
Interest expense on lease liabilities	4,231	4,637
Expense relating to short-term leases & low-value assets (included in operating cost, Employee benefit expenses & other expenses)	996	813
Variable lease payments (included in other expenses)	-	-
Total amount recognised in profit or loss	16,486	16,231
Total Cash Outflow	<b>(14,164)</b>	<b>(13,443)</b>

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

### 36 RATIO ANALYSIS & ELEMENTS

S.No	Ratio	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	% Change	Reasons for Variance
a)	Current Ratio	Current Assets	Current Liabilities	0.44	0.34	27.10%	Increase in current ratio is due to decrease in current maturities on non current borrowings and improvement in net working capital
b)	Debt-Equity Ratio	Total Debt	Shareholders Equity	22.50	19.03	18.19%	Variance is less than 25%
c)	Debt Service Coverage Ratio	Net Profit before taxes - Non Cash Expenses & Income	Debt service = Interest & Lease Payments + Principal Repayments	0.63	0.56	11.63%	Variance is less than 25%
d)	Return on Equity Ratio	Net Profits after taxes	Average Shareholders Equity	0.07	0.11	-36.46%	Increase in Net Profit due to increase in revenue in current year
e)	Inventory Turnover Ratio	Consumables	Average Inventory	0.74	0.75	-1.56%	Variance is less than 25%
f)	Trade Receivable Turnover Ratio	Revenue from Operations + Sale of Spares & Services	Average Trade Receivables	23.27	14.99	55.26%	Improvement in debtors realization during the year has resulted in increase in the ratio
g)	Trade Payable Turnover Ratio	Operating Expenses + Other Expenses - Non Cash Expenses	Average Trade Payables	10.91	8.65	26.21%	Improvement in creditors payment due to improved debtors realization and better working capital position
h)	Net Capital Turnover Ratio	Revenue from Operations + Sale of Spares & Services	Working Capital = Current Assets - Current Liabilities	(9.22)	(3.33)	176.61%	Increase in Net Capital Turnover Ratio is due to decrease in negative working capital on account of current maturities of long term borrowings
i)	Net Profit Ratio	Net Profits after taxes	Revenue from Operations + Sale of Spares & Services	0.34%	0.60%	-43.38%	Decrease in Net Profit after taxes due to adjustment of tax provision for previous years
j)	Return on Capital Employed (ROCE)	Earnings before interest tax and depreciation (EBITDA)	Capital Employed = Tangible Net Worth + Total debt	22.71%	27.40%	-17.12%	Variance is less than 25%
k)	Return on Invested Capital (ROIC)	Net Profits after taxes	Invested Capital = Total Equity + Total Debt - Cash & Cash Equivalents	0.30%	0.51%	-41.85%	Decrease in ROIC is due decrease in profit after taxes and net increase in total debt during the year

Schedule-III requires explanation where the change in the ratio is more than 25% as compared to the preceding year. Since there are only seven instances where the changes are more than 25%, hence explanation is given only for the said ratios.

Blue Dart Express Limited, the holding Company has given support letter to confirm financial and operational support to the Company to meet its liabilities that may arise in the foreseeable future.

## SCHEDULES

Notes forming part of Financial Statements as of and for the year ended March 31, 2023

### 37 FINANCIAL INSTRUMENTS – FAIR VALUE AND RISK MANAGEMENT

#### A Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

March 31, 2023	Note No.	Fair Value	FVPL	Carrying amount		in ₹ Lakhs
				FVOCI	Amortised Cost	Total
<b>Financial assets</b>						
(i) Trade receivables (Refer Note 1 below)	10	1,138	-	-	1,138	1,138
(ii) Cash and cash equivalents (Refer Note 1 below)	11	18	-	-	18	18
(iii) Security Deposits (Refer Note 2 below)	5 and 12	3,406	-	-	2,274	2,274
		<b>4,562</b>	-	-	<b>3,430</b>	<b>3,430</b>
<b>Financial liabilities</b>						
(i) Borrowings (Refer Note 3 below)	16 A and B	70,000	-	-	70,000	70,000
(ii) Trade payables (Refer Note 1 below)	21	4,155	-	-	4,155	4,155
(iii) Lease Liability	17 A and B	73,600	-	-	61,001	61,001
(iv) Other financial liabilities (Refer Note 1 below)	18 and 22	9,650	-	-	8,326	8,326
		<b>1,57,405</b>	-	-	<b>1,43,482</b>	<b>1,43,482</b>

March 31, 2022	Note No.	Fair Value	FVPL	Carrying amount		in ₹ Lakhs
				FVOCI	Amortised Cost	Total
<b>Financial assets</b>						
(i) Trade receivables (Refer Note 1 below)	10	9,014	-	-	9,014	9,014
(ii) Cash and cash equivalents (Refer Note 1 below)	11	109	-	-	109	109
(iii) Security Deposits (Refer Note 2 below)	5 and 12	3,189	-	-	1,984	1,984
		<b>12,312</b>	-	-	<b>11,107</b>	<b>11,107</b>
<b>Financial liabilities</b>						
(i) Borrowings (Refer Note 3 below)	16 A and B	45,000	-	-	45,000	45,000
(ii) Trade payables (Refer Note 1 below)	21	7,974	-	-	7,974	7,974
(iii) Lease Liability	17 A and B	76,465	-	-	61,747	61,747
(iv) Other financial liabilities (Refer Note 1 below)	18 and 22	2,432	-	-	2,006	2,006
		<b>1,31,871</b>	-	-	<b>1,16,727</b>	<b>1,16,727</b>

**Note 1:** The carrying value of trade receivables, cash and cash equivalents, trade payables, other financial liability are considered to be the same as their fair values due to their short term maturities.

**Note 2:** Difference between carrying amounts and fair values of security deposits measured at amortised cost is not significantly different in each of the year presented.

**Note 3:** Borrowings are taken at variable interest rate which is reviewed and reset periodically considering the market trend and hence the carrying amount is not materially different from their fair values.

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

#### B Financial Risk management

##### i. Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the policies and processes. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the management is responsible for overseeing the Company's risk assessment and management policies and processes.

##### ii. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company does not have any financial assets that are past due but not impaired.

##### Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. As the Company's customers are its holding company and group company hence impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of no credit losses. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The Company has concentration of credit risk due to the fact that the holding company and other group company are the major customers and significant trade receivables are receivable from the parent company and group company as on March 31, 2023 ₹ 1,108 Lakhs (March 31, 2022 ₹ 8,987 Lakhs). However the customers are highly reputed, credit worthy and regular in making payment.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
Neither past due nor impaired		
<b>Past due but not impaired</b>		
Past due 1–90 days	1,129	9,004
Past due more than 90 days	9	10
	<b>1,138</b>	<b>9,014</b>

##### Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions of ₹ 18 Lakhs and ₹ 109 Lakhs as at March 31, 2023 and March 31, 2022 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

##### Security deposits given to lessors

The Company has given security deposit to lessors for premises leased by the Company as at March 31, 2023 and March 31, 2022. The credit worthiness of such lessors is evaluated by the management on an ongoing basis and is considered to be good.

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

#### iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

As of March 31, 2023, the Company has negative working capital of ₹ (12,809) Lakhs including inventories of ₹ 3,151 Lakhs, cash and cash equivalents of ₹ 18 Lakhs, trade receivables of ₹ 1,138 Lakhs, other assets of ₹ 5,594 Lakhs, Current Borrowings of ₹ 2,250 Lakhs, trade payables of ₹ 4,155 Lakhs, employee benefit obligation of ₹ 2,341 Lakhs, lease liability of ₹ 10,271 Lakhs and other current liabilities of ₹ 3,693 Lakhs.

As of March 31, 2022, the Company has negative working capital of ₹ (28,306) Lakhs including inventories of ₹ 2,798 Lakhs, cash and cash equivalents of ₹ 109 Lakhs, trade receivables of ₹ 9,014 Lakhs, other assets of ₹ 2,857 Lakhs, Current Borrowings of ₹ 20,000 Lakhs, trade payables of ₹ 7,974 Lakhs, provisions for aircraft redelivery obligation ₹ 66 Lakhs, employee benefit obligation of ₹ 2,146 Lakhs, lease liability of ₹ 9,708 Lakhs and other current liabilities of ₹ 3,190 Lakhs.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

in ₹ Lakhs

March 31, 2023	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Borrowings	70,000	86,810	-	2,385	5,574	63,230	15,620
Trade payables	4,155	4,155	4,155	-	-	-	-
Lease Liability	61,001	73,600	2,336	11,596	12,942	35,488	11,238
Other financial liabilities	8,326	9,650	-	-	-	9,650	-
<b>Total</b>	<b>1,43,482</b>	<b>1,74,215</b>	<b>6,491</b>	<b>13,981</b>	<b>18,516</b>	<b>1,08,368</b>	<b>26,858</b>

in ₹ Lakhs

March 31, 2022	Contractual cash flows						
	Carrying amount	Total	2 months or less	2-12 months	1-2 years	2-5 years	More than 5 years
<b>Non-derivative financial liabilities</b>							
Borrowings	45,000	51,960	-	20,658	2,497	18,234	10,571
Trade payables	7,974	7,974	7,974	-	-	-	-
Lease Liability	61,747	76,465	2,253	11,336	13,144	32,966	16,766
Other financial liabilities	2,006	2,432	-	282	-	-	2,150
<b>Total</b>	<b>1,16,727</b>	<b>1,38,831</b>	<b>10,227</b>	<b>32,276</b>	<b>15,641</b>	<b>51,200</b>	<b>29,487</b>

#### iv Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities.

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

#### a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to deposits and borrowings from bank and financial institutions.

For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, refer to Note 16 of these financial statements.

#### Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analyses assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

	Profit or loss	
	100 bp increase	100 bp decrease
<b>As at March 31, 2023</b>		
Variable-rate instruments	(700)	700
<b>sensitivity</b>	<b>(700)</b>	<b>700</b>
<b>As at March 31, 2022</b>		
Variable-rate instruments	(374)	374
<b>sensitivity</b>	<b>(374)</b>	<b>374</b>

#### b) Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit and loss account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering the countries and economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates in those countries. The risks primarily relate to fluctuations in U.S. dollar, GBP and Euro, against the functional currency of the Company.

#### Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
Lease Liability(in USD)	17,755	13,496
Lease Liability(in Euro)	12,536	19,219
Trade payables(in GBP)	-	8
Trade payables(in USD)	1,122	5,239
Trade payables(in Euro)	639	567
<b>Net statement of financial position exposure</b>	<b>32,052</b>	<b>38,529</b>

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

#### Sensitivity analysis

A 5% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast revenue and cost. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in ₹ Lakhs	Profit or loss	
	Strengthening	Weakening
<b>March 31, 2023</b>		
USD	(56)	56
EUR	(32)	32
	<b>(88)</b>	<b>88</b>

Effect in ₹ Lakhs	Profit or loss	
	Strengthening	Weakening
<b>March 31, 2022</b>		
USD	(262)	262
EUR	(28)	28
	<b>(290)</b>	<b>290</b>

\*^ Note: The impact is indicated on the profit/loss and equity before tax basis.

### 38 CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital regularly.

The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at March 31, 2023 was as follows:

	As at March 31, 2023 in ₹ Lakhs	As at March 31, 2022 in ₹ Lakhs
Total external borrowings	70,000	45,000
Less : Cash and cash equivalent	18	109
Adjusted net debt	<b>69,982</b>	<b>44,891</b>
Total equity	5,823	5,608
Adjusted net debt to adjusted equity ratio	<b>12.02</b>	<b>8.00</b>

Blue Dart Express Limited, the holding Company has given support letter to confirm financial and operational support to the Company to meet its liabilities that may arise in the foreseeable future.

## SCHEDULES

### Notes forming part of Financial Statements as of and for the year ended March 31, 2023

#### 39 SEGMENT INFORMATION

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) comprises of Managing Director and Chief Financial Officer evaluates the Company's performance and reviews the segment business. The Company is primarily engaged in a single segment business to operate aircraft and provide aircraft maintenance services within India for the business of integrated air and ground transportation and distribution of time-sensitive packages of Blue Dart Express Limited. All assets of the Company are domiciled in India and the Company earns entire revenue from its operations in India. Revenue for the year ended March 31, 2023 ₹ 1,17,783 lakhs (March 31, 2022: ₹ 93,994 lakhs) is derived from the holding company.

**40** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective. Based on a preliminary assessment, the entity believes the impact of the change will not be significant.

#### 41 Other Statutory Information

- i. The Company do not have any Benami property, where any proceeding has been initiated or pending against company for holding any Benami property
- ii. The Company do not have any transaction with companies struck off
- iii. The Company do not have any charges or satisfaction which are yet to be registered with ROC beyond the statutory period
- iv. The Company have not traded or invested in Crypto currency or virtual currency during the financial year
- v. The Company had not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the intermediary will
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- vi. The Company have not received any fund from any person or entity, including foreign entities (Funding party) with the understanding (whether recorded in writing or otherwise) that the Company will
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (Ultimate Beneficiaries) or
  - b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries
- vii. The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as survey or survey or any other relevant provisions of the Income Tax Act, 1961)

#### 41 Events after the reporting period

The company has evaluated subsequent events from the balance sheet date through May 04, 2023 the date at which the financial statements were available to be issued, and determined that there are no material items to be discussed other than those discussed above.

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**For and on behalf of Board of Directors of Blue Dart Aviation Limited**  
CIN: U35303MH1994PLC078691

**Tushar K. Jani**  
Chairman  
DIN: 00192621

**Tulsi Nowlakha Mirchandaney**  
Managing Director  
DIN: 01842520

**N. Palaniappan**  
Company Secretary &  
General Manager-Finance

**P. Parameshwaran**  
Chief Financial Officer

Place: Mumbai  
Date: May 04, 2023